DRAFT RED HERRING PROSPECTUS
Dated: February 25, 2021
(The Draft Red Herring Prospectus will be updated upon filing with the RoC)
(Please read Section 32 of the Companies Act, 2013)
100% Book Built Issue

SHYAM METALICS AND ENERGY LIMITED

Shyam Metalics and Energy Limited ("**Company**") was originally incorporated as Shyam DRI Power Limited on December 10, 2002 at Kolkata, West Bengal, India as a public limited company under the Companies Act, 1956 and received the certificate for commencement of business from the Registrar of Companies, West Bengal at Kolkata ("**RoC**") on December 11, 2002. Subsequently, the name of our Company was changed to Shyam Metalics and Energy Limited *vide* a special resolution passed by our Shareholders on November 23, 2009, and a fresh certificate of incorporation consequent upon change of name was issued by the RoC on January 5, 2010. For details of the change in the name and registered office of our Company, please see the section entitled "*History and Certain Corporate Matters*" on page 158.

Registered and Corporate Office: Trinity Tower, 7th Floor, 83, Topsia Road, Kolkata – 700046, West Bengal, India
Contact Person: Birendra Kumar Jain, Company Secretary and Compliance Officer; **Tel:** +91 33 4016 4000
E-mail: compliance@shyamgroup.com; **Website**: www.shyammetalics.com
Corporate Identity Number: U40101WB2002PLC095491

OUR PROMOTERS: MAHABIR PRASAD AGARWAL, BRIJ BHUSHAN AGARWAL, SANJAY KUMAR AGARWAL, SUBHAM CAPITAL PRIVATE LIMITED, SUBHAM BUILDWELL PRIVATE LIMITED, NARANTAK DEALCOMM LIMITED, KALPATARU HOUSEFIN & TRADING PRIVATE LIMITED, DORITE TRACON PRIVATE LIMITED AND TOPLIGHT MERCANTILES PRIVATE LIMITED

INITIAL PUBLIC OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF SHYAM METALICS AND ENERGY LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE* OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ 11,070.00 MILLION ("OFFER") COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 6,570.00 MILLION BY OUR COMPANY (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 4,500.00 MILLION ("OFFER FOR SALE"), COMPRISING UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 660.00 MILLION BY SUBHAM CAPITAL PRIVATE LIMITED, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 1,140.00 MILLION BY SUBHAM BUILDWELL PRIVATE LIMITED, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 450.00 MILLION BY KALPATARU HOUSEFIN & TRADING PRIVATE LIMITED, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 490.00 MILLION BY DORITE TRACON PRIVATE LIMITED, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 1,740.00 MILLION BY NARANTAK DEALCOMM LIMITED, AND UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 20.00 MILLION BY TOPLIGHT MERCANTILES PRIVATE LIMITED (COLLECTIVELY, THE "PROMOTER SELLING SHAREHOLDERS" OR THE "SELLING SHAREHOLDERS", AND SUCH EQUITY SHARES, THE "OFFERED SHARES"). THE OFFER SHALL CONSTITUTE [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE OFFER INCLUDES A RESERVATION OF UP TO 300,000 EQUITY SHARES, AGGREGATING UP TO ₹ [●] MILLION, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREIN) (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●]% AND [●]%, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH. THE PRICE BAND, THE EMPLOYEE DISCOUNT AS APPLICABLE, AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE PROMOTER SELLING SHAREHOLDERS IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMS") AND WILL BE ADVERTISED IN [●] EDITIONS OF [●], AN ENGLISH NATIONAL NEWSPAPER, [●] EDITIONS OF [●], A HINDI NATIONAL NEWSPAPER AND [●] EDITION OF [●], A BENGALI NEWSPAPER (WHICH ARE WIDELY CIRCULATED ENGLISH, HINDI AND BENGALI NEWSPAPERS, RESPECTIVELY, BENGALI BEING THE REGIONAL LANGUAGE OF WEST BENGAL, WHERE OUR REGISTERED AND CORPORATE OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITES.

***A discount of up to [●]% on the Offer Price may be offered to the Eligible Employees Bidding in the Employee Reservation Portion ("Employee Discount") equivalent to ₹ [●] per Equity Share.*

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Offer Period not exceeding a total of 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/Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will 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 Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made in accordance with Regulation 6(1) of the SEBI ICDR Regulations, through the Book Building Process wherein not more than 50% of the Net Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") ("**QIB Portion**"), provided that our Company and the Promoter Selling Shareholders in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price, in accordance with the SEBI ICDR Regulations. 5% of the QIB Portion (excluding the Anchor Investor 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 Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer 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 Offer Price. Further, Equity Shares will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portio, subject to valid Bids received from them at or above the Offer Price. All potential investors, other than Anchor Investors, are required to mandatorily utilise the Application Supported by Blocked Amount ("**ASBA**") process providing details of their respective bank accounts 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, please see the section entitled "*Offer Procedure*" on page 355.

RISK IN RELATION TO THE FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10. The Offer 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 or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer 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 the section entitled "*Risk Factors*" on page 21.

ISSUER'S AND THE PROMOTER SELLING SHAREHOLDERS' 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 the Offer, which is material in the context of the Offer, 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 or inclusion 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.

Further, each Promoter Selling Shareholder severally and not jointly accepts responsibility for and confirms the statement made by such Promoter Selling Shareholder in this DRHP and to the extent of information specifically pertaining to itself and its respective portion of Offered Shares contained in this Draft Red Herring Prospectus as true and correct in all material aspects and not misleading in any material respect. Each Promoter Selling Shareholder, severally and not jointly, does not assume any responsibility for any other statements, including without limitation, any and all of the statements made by or in relation to our Company or the other Promoter Selling Shareholders in this Draft Red Herring Prospectus.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received an 'in-principle' approval from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A copy of the Red Herring Prospectus and the Prospectus shall be delivered for filing with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents, which will be made available for inspection from the date of the Red Herring Prospectus up to Bid/Offer Closing Date, please see the section entitled "*Material Contracts and Documents for Inspection*" on page 415.

BOOK RUNNING LEAD MANAGERS

ICICI SECURITIES LIMITED ICICI Centre H.T. Parekh Marg Churchgate, Mumbai 400 020 Maharashtra, India Tel: +91 22 2288 2460 E-mail: shyam.ipo@icicisecurities.com Investor grievance E-mail: customercare@icicisecurities.com Website: www.icicisecurities.com Contact Person: Rupesh Khant SEBI Registration No.: INM000011179	**AXIS CAPITAL LIMITED** 1st Floor, Axis House C-2, Wadia International Centre P. B. Marg, Worli, Mumbai 400 025 Maharashtra, India Tel: (91 22) 4325 2183 E-mail: shyam.ipo@axiscap.in Investor grievance E-mail: complaints@axiscap.in Website: www.axiscapital.co.in Contact Person: Pratik Pednekar SEBI Registration No: INM000012029	**IIFL SECURITIES LIMITED** 10th Floor, IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013 Maharashtra, India Tel: +91 22 4646 4600 E-mail: shyam.ipo@iiflcap.com Investor Grievance E-mail: ig.ib@iiflcap.com Website: www.iiflcap.com Contact Person: Pinak Bhattacharyya/ Nishita Mody SEBI Registration No.: INM000010940

BOOK RUNNING LEAD MANAGERS		**REGISTRAR TO THE OFFER**
JM FINANCIAL LIMITED 7th Floor Cnergy Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, Maharashtra, India Tel: +91 22 6630 3030 E-mail: shyammetalics.ipo@jmfl.com Investor Grievance E-mail: grievance.ibd@jmfl.com Website: www.jmfl.com Contact Person: Prachee Dhuri SEBI Registration No.: INM000010361	**SBI CAPITAL MARKETS LIMITED** 202, Maker Tower 'E', Cuffe Parade, Mumbai 400 005, Maharashtra, India Tel: +91 22 2217 8300 E-mail: shyam.ipo@sbicaps.com Investor Grievance E-mail: investor.relations@sbicaps.com Website: www.sbicaps.com Contact Person: Aditya Deshpande SEBI Registration Number: INM000003531	**KFIN TECHNOLOGIES PRIVATE LIMITED** (Formerly known as "*Karvy Fintech Private Limited*") Selenium Tower B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad 500 032 Tel: +91 40 6716 2222 E-mail: einward.ris@karvy.com Investor grievance email: einward.ris@kfintech.com Website: www.kfintech.com Contact Person: M. Murali Krishna SEBI Registration No.: INR000000221

BID/OFFER PROGRAMME

BID/OFFER OPENS ON	[●](1)
BID/OFFER CLOSES ON	[●](2)

(1) Our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.

(2) Our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

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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, regulation, rules, guidelines or policies as amended from time to time.

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.

Notwithstanding the foregoing, terms in the chapters/sections entitled "Statement of Special Tax Benefits", "Industry Overview", "Our Business", "Key Regulations and Policies in India", "Financial Information", "Outstanding Litigation and Other Material Developments" and "Main Provisions of Articles of Association" will have the meaning ascribed to such terms in these respective chapters/sections.

General Terms

Term	Description
"our Company", "the Company", "the Issuer"	Shyam Metalics and Energy Limited, a company incorporated under the Companies Act, 1956 and having its Registered and Corporate Office at Trinity Tower, 7th Floor, 83, Topsia Road, Kolkata – 700 046, West Bengal, India
"we", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries

Company Related Terms

Term	Description
Articles of Association/ AoA	Articles of Association of our Company, as amended
Associate Companies	Associate companies of our Company, namely: (i) Kecons Tradecare Private Limited; (ii) Meghana Vyapaar Private Limited; and (iii) Kolhan Complex Private Limited
Audit Committee	Audit Committee of our Company as described in "*Our Management*" on page 174
Auditors/Statutory Auditors	Statutory auditors of our Company, namely, S K Agrawal and Co Chartered Accountants LLP
Board/Board of Directors	Board of directors of our Company, as constituted from time to time, including a duly constituted committee thereof
Corporate Social Responsibility Committee/CSR Committee	The Corporate Social Responsibility Committee of our Company as described in "*Our Management*" on page 174
CRISIL	CRISIL Limited
CRISIL Report	Report titled "*Market Assessment and outlook across Steel Industry value chain*" dated February 2021 issued by CRISIL
DAPL	Damodar Aluminium Private Limited
Director(s)	Director(s) of our Company
Dorite Tracon	Dorite Tracon Private Limited
Employees Stock Option Growth Plan 2018	Shyam Metalics Employees Stock Option Growth Plan 2018
Employees Stock Option Loyalty Plan 2018	Shyam Metalics Employees Stock Option Loyalty Plan 2018
Equity Shares	Equity shares of our Company of face value of ₹ 10 each
Executive Directors	Executive Directors of our Company
Group Companies	In terms of SEBI ICDR Regulations, the term "group companies" includes companies (other than our Promoters and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards and such other companies as considered material by our Board, as identified in the section entitled "*Our Group Companies*" on page 200
Independent Director	Independent Director(s) on our Board
IPO Committee	The IPO Committee of our Company as described in "*Our Management*" on page 174
Kalpataru Housefin	Kalpataru Housefin and Trading Private Limited
KCPL	Kolhan Complex Private Limited
Key Management Personnel	Key management personnel of our Company in terms of the Companies Act, 2013 and the SEBI ICDR Regulations and disclosed in "*Our Management – Key Management Personnel*" on page 190
KTPL	Kecons Tradecare Private Limited
Materiality Policy	The policy adopted by our Board on February 18, 2021, for identification of material: (a) outstanding litigation proceedings; (b) Group Companies; and (c) creditors, pursuant to the requirements of the

Term	Description
	SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus
Material Subsidiary	Shyam SEL and Power Limited
Memorandum of Association/ MoA	Memorandum of Association of our Company, as amended
MHPL	Meadow Housing Private Limited
MVPL	Meghana Vyapaar Private Limited
Narantak Dealcomm	Narantak Dealcomm Limited
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Company as described in "*Our Management*" on page 174
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI ICDR Regulations. For details, please see the section entitled "*Our Promoters and Promoter Group*" on page 192
Promoters	Promoters of our Company namely, Mahabir Prasad Agarwal, Brij Bhushan Agarwal, Sanjay Kumar Agarwal, Subham Capital Private Limited, Subham Buildwell Private Limited, Narantak Dealcomm Limited, Kalpataru Housefin & Trading Private Limited, Dorite Tracon Private Limited and Toplight Mercantiles Private Limited. For details, please see the section entitled "*Our Promoters and Promoter Group*" on page 192
Registered Office / Registered and Corporate Office	Registered and corporate office of our Company located at Trinity Tower, 7th Floor, 83, Topsia Road, Kolkata – 700046, West Bengal, India
Registrar of Companies/RoC	Registrar of Companies, West Bengal, situated at Kolkata
Restated Financial Statements	The restated consolidated IND AS summary statements of assets and liabilities as at December 31, 2020, December 31, 2019, March 31, 2020, March 31, 2019 and March 31, 2018, and the restated consolidated IND AS summary statement of profit and loss (including other comprehensive income), cash flows and changes in equity for the nine months ended December 31, 2020 and December 31, 2019 and for the years ended March 31, 2020, March 31, 2019 and March 31, 2018, together with the summary of significant accounting policies and explanatory information thereon, which have been derived from our audited consolidated financial statements as at and for the nine months ended December 31, 2019 and December 31, 2020 prepared in accordance with Ind AS 34, and our audited financial statements as at and for the years ended March 31, 2020, March 31, 2019 and March 31, 2018, each prepared in accordance with Ind AS, and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note.
RHPPL	Renaissance Hydro Power Private Limited
SBSPL	Shyam Business Solutions Private Limited
Selling Shareholders	Collectively, Subham Capital, Subham Buildwell, Narantak Dealcomm, Kalpataru Housefin, Dorite Tracon and Toplight Mercantiles
Senior Management Personnel	The persons listed as senior management personnel in "*Our Management*" on page 174
SFAL	Shyam Ferro Alloys Limited
SAL	Sundaram Alloys Limited
Shareholders	Equity shareholders of our Company from time to time
SOJPL	Shyam Ores (Jharkhand) Private Limited
SSPL	Shyam SEL and Power Limited
SSPPL	Singhbhum Steel and Power Private Limited
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Company as described in the section entitled "*Our Management*" on page 174
Subham Buildwell	Subham Buildwell Private Limited
Subham Capital	Subham Capital Private Limited
Subsidiaries or individually known as Subsidiary	Subsidiaries of our Company, namely: (i) Shyam SEL and Power Limited; (ii) Damodar Aluminium Private Limited; (iii) Singhbhum Steel and Power Private Limited; (iv) Renaissance Hydro Power Private Limited; (v) Kalinga Infra-Projects Limited (vi) Hrashva Storage and Warehousing Private Limited; (vii) Meadow Housing Private Limited; (viii) Shyam Energy Limited; (ix) Taurus Estates Private Limited; (x) Whispering Developers Private Limited; (xi) Nirjhar Commodities Private Limited; and (xii) Shree Sikhar Iron & Steel Private Limited.
Toplight Mercantiles	Toplight Mercantiles Private Limited
HSWPL	Hrashva Storage and Warehousing Private Limited
SEL	Shyam Energy Limited
WDPL	Whispering Developers Private Limited
TEPL	Taurus Estates Private Limited

Offer Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf
Acknowledgement Slip	The slip or document to be issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allot/Allotment/Allotted	Unless the context otherwise requires, allotment or transfer, as the case may be of Equity Shares offered pursuant to the Fresh Issue and transfer of the Offered Shares by the Promoter Selling Shareholders pursuant to the Offer for Sale to the successful Bidders
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Escrow Accounts	Accounts opened with Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through direct credit, NEFT, RTGS or NACH in respect of the Bid Amount when submitting a Bid
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the SEBI ICDR Regulations and the Red Herring Prospectus
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors at the end of the Anchor Investor Bid/Offer Period, in terms of the Red Herring Prospectus. The Anchor Investor Allocation Price shall be determined by our Company and the Selling Shareholders, in consultation with the BRLMs during the Anchor Investor Bid / Offer Period.
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 the Prospectus
Anchor Investor Bid/Offer Period	The day, one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed
Anchor Investor Offer 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 Offer Price but not higher than the Cap Price The Anchor Investor Offer Price will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs
Anchor Investor Portion	Up to 60% of the QIB Portion, which may be allocated by our Company and the Selling Shareholders, 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 which shall be determined by the Company and the Selling Shareholders, in consultation with the BRLMs
Anchor Investor Pay-In Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bid/Offer Period, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/ Offer Closing Date
Application Supported by Blocked Amount or ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account and will include applications made by RIBs using the UPI Mechanism
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the ASBA Form and will include amounts blocked by SCSB upon acceptance of UPI Mandate Request by RIBs using the UPI Mechanism
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
Axis	Axis Capital Limited
Banker(s) to the Offer	The Escrow Collection Bank(s), Refund Bank(s), Public Offer Account Bank(s) and the Sponsor Bank, as the case may be
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, as described in the section entitled "*Offer Procedure*" on page 355
Bid	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Offer Period by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, 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 as per the terms of the Red Herring Prospectus and the Bid Cum Application Form The term "Bidding" shall be construed accordingly
Bid Amount	The highest value of the optional Bids as indicated in the Bid cum Application Form and payable by the Bidder or as blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Offer However, Eligible Employees applying in the Employee Reservation Portion can apply at the Cut-off Price and the Bid amount shall be Cap Price net of Employee Discount, multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form

Term	Description
Bid cum Application Form	The form in terms of which the Bidder shall make a Bid, including ASBA Form, and which shall be considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus and the Prospectus
Bid Lot	[●] Equity Shares
Bid/Offer 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 [●], an English national newspaper, [●] editions of [●], a Hindi national newspaper and [●] edition of [●], a Bengali daily newspaper (Bengali being the regional language of West Bengal, where our Registered and Corporate Office is located) each with wide circulation. In case of any revision, the extended Bid/ Offer Closing shall also be notified on the websites and terminals of the Members of the Syndicate as required under the SEBI ICDR Regulations and also intimated to the Designated Intermediaries and the Sponsor Bank. Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/Offer Period for the QIB Category one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations which shall also be notified by advertisement in the same newspapers where the Bid/ Offer Opening Date was published, in accordance with the SEBI ICDR Regulations
Bid/Offer 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 [●], an English national newspaper, [●] editions of [●], a Hindi national newspaper and [●] edition of [●], a Bengali daily newspaper (Bengali being the regional language of West Bengal where our Registered and Corporate Office is located) each with wide circulation, and in case of any revisions, the extended Bid/Offer Closing Date shall also be notified on the websites and terminals of the Syndicate Members and also intimated to the Designated Intermediaries and the Sponsor Bank, as required under the SEBI ICDR Regulations
Bid/Offer Period	Except in relation to any Bids received from Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer 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 and the terms of the Red Herring Prospectus. Provided, however, 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 and the Selling Shareholders, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Offer Opening Date was published, in accordance with SEBI ICDR Regulations. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days
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, and includes an ASBA Bidder and an Anchor Investor
Bidding Centers	Centers at which at the Designated Intermediaries shall accept the ASBA Forms, i.e, Designated Branches for SCSBs, Specified Locations for 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 Offer is being made
BRLMs or Book Running Lead Managers	The book running lead managers to the Offer namely, ICICI Securities Limited, Axis Capital Limited, IIFL Securities Limited, JM Financial Limited and SBI Capital Markets Limited
Broker Centres	Broker centres of the Registered Brokers 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, as updated from time to time
CAN/Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares to be sent to Successful Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bid/Offer Period
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, including any revision thereof
Cash Escrow and Sponsor Bank Agreement	Agreement to be entered into among our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Syndicate Members, the Banker(s) to the Offer for the appointment of the Sponsor Bank in accordance with UPI Circulars, collection of the Bid Amounts, transfer of funds to the Public Offer Accounts, and where applicable remitting refunds, if any, to the Anchor Investors, on the terms and conditions thereof
Client ID	Client identification number of the Bidder’s beneficiary account maintained with one of the Depositories in relation to the demat account

Term	Description
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 and the SEBI UPI Circulars, issued by SEBI, as per the list available on the websites of the Stock Exchanges, www.bseindia.com and www.nseindia.com, as updated from time to time
Cut-off Price	The Offer Price, finalized by our Company and the Selling Shareholders, in consultation with the BRLMs, which shall be any price within the Price Band. Only Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation , PAN, bank account details and UPI ID wherever applicable
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Form used by Bidders (other than Anchor Investors), a list of which is available at the website of the SEBI (www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time
Designated CDP Locations	Such centres of the Collecting Depository Participants where Bidders (other than Anchor Investors) can submit the Bid cum Application Forms. The details of such Designated CDP Locations, along with the names and contact details of the CDPs are available on the respective websites of the Stock Exchanges and updated from time to time
Designated Date	The date on which the funds from the Anchor Escrow Accounts are transferred to the Public Offer Account or the Refund Account(s), as appropriate, and the relevant amounts blocked by the SCSBs are transferred from the ASBA Accounts, to the Public Offer Account and/or are unblocked, as applicable, in terms of the Red Herring Prospectus and the Prospectus after finalization of basis of allotment with the Designated Stock Exchange
Designated Intermediaries	In relation to ASBA Forms submitted by RIBs 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, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs NIIs, Eligible Employees, Designated Intermediaries shall mean SCSBs, Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs
Designated RTA Locations	Such centres of the RTAs where Bidders (other than Anchor Investors) can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) and updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at 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 Stock Exchange	[●]
Draft Red Herring Prospectus or DRHP	This Draft Red Herring Prospectus dated February 25, 2021, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars, including of the Offer Price and the size of the Offer, including any addendum and corrigendum thereto
Eligible Employees	All or any of the following: (1) a permanent employee of our Company or of our Subsidiaries, working in India or outside India (excluding such employees not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines), as on the date of filing of the Red Herring Prospectus with the RoC and who continue to be a permanent employee of our Company or any of our Subsidiaries until the submission of the Bid cum Application Form; or (2) a Director, whether a whole time Director or otherwise, who is eligible to apply under the Employee Reservation Portion under applicable law as on the date of the Red Herring Prospectus and who continues to be a Director of our Company, as of the date of submission of the Bid cum Application Form, but not including Directors who either themselves or through their relatives or through any body corporate, directly or indirectly, hold more than 10% of the outstanding Equity Shares. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000 (net of Employee Discount). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000 (net of Employee Discount). Only in the event of an under-subscription in the Employee Reservation Portion post initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000 (net of Employee Discount) subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000 (net of Employee Discount).
Eligible NRI(s)	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the ASBA Form and the Red Herring Prospectus constitutes an invitation to subscribe for the Equity Shares

Term	Description
Employee Discount	Our Company and the Selling Shareholders in consultation with the BRLMs, may offer a discount of up to [●]% to the Offer Price (equivalent of ₹ [●] per Equity Share) to Eligible Employees and which shall be announced at least two Working Days prior to the Bid / Offer Opening Date
Employee Reservation Portion	The portion of the Offer being up to 300,000 Equity Shares, which shall not exceed 5% of the post Offer Equity Share capital of our Company, available for allocation to Eligible Employees, on a proportionate basis
Escrow Account	Account(s) opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	The bank(s) which is/are clearing members and are registered with SEBI as an escrow bank, with whom the Anchor Escrow Accounts in relation to the Offer for Bids by Anchor Investors will be opened, in this case being [●]
First Bidder	Bidder whose name appears first 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	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares
Fresh Issue	The fresh issue of up to [●] Equity Shares by our Company aggregating up to ₹ 6,570.00 million, to be issued by our Company as part of the Offer, in terms of the Red Herring Prospectus and the Prospectus.
General Information Document/GID	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 circular no. SEBI / HO / CFD / DIL2 / CIR / P / 2020 / 50 dated March 30, 2020, as amended by SEBI from time to time and the UPI Circulars The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs
IIFL	IIFL Securities Limited
I-Sec	ICICI Securities Limited
JM	JM Financial Limited
Mutual Fund Portion	5% of the Net QIB Portion or [●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Offer	The Offer less the Employee Reservation Portion
Net Proceeds	Proceeds of the Offer that will be available to our Company, i.e. gross proceeds of the Fresh Issue, less Offer expenses to the extent applicable to the Fresh Issue For further information about use of the Offer Proceeds and the Offer expenses, please see the section entitled "*Objects of the Offer*" on page 79
Non-Institutional Bidders/NIBs	All Bidders that are not QIBs (including Anchor Investors) and Retail Individual Bidders who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Net Offer being not less than 15% of the Net Offer consisting of [•] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price
Non-Resident	A person resident outside India, as defined under FEMA and includes a non resident Indian, FPIs and FVCIs
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Offer	The initial public offering of up to [●] Equity Shares for cash at a price of ₹ [●] each (including a premium of ₹ [●] per Equity Share), aggregating up to ₹ 11,070.00 million, comprising the Fresh Issue and the Offer for Sale. The Offer comprises the Net Offer and Employee Reservation Portion
Offer Agreement	The agreement dated February 25, 2021, entered into amongst our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	Offer of up to [●] Equity Shares at ₹ [●] aggregating up to ₹ 4,500.00 million to be offered for sale by the Selling Shareholders pursuant to the Offer in terms of the Red Herring Prospectus and the Prospectus. For further information, please see the section entitled "*The Offer*" on page 50.
Offer Price	The final price at which Equity Shares will be Allotted to the successful Bidders (other than Anchor Investors), as determined in accordance with the Book Building Process and determined by our Company and the Selling Shareholders, in consultation with the BRLMs in terms of the Red Herring Prospectus on the Pricing Date. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus. A discount of up to [●]% on the Offer Price (equivalent of ₹ [●] per Equity Share) may be offered to Eligible Employees bidding in the Employee Reservation Portion. This Employee Discount, if any, will be decided by our Company and the Selling Shareholders in consultation with the BRLMs

Term	Description
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders. For further information about use of the Offer Proceeds, see "*Objects of the Offer*" beginning on page 79
Offered Shares	Up to [●] Equity Shares aggregating up to ₹ 4,500.00 million, offered for sale pursuant to the Offer for Sale, comprising up to [●] Equity Shares aggregating up to ₹ 660.00 million by Subham Capital Private Limited, up to [●] Equity Shares aggregating up to ₹ 1,140.00 million by Subham Buildwell Private Limited, up to [●] Equity Shares aggregating up to ₹ 450.00 million by Kalpataru Housefin & Trading Private Limited, up to [●] Equity Shares aggregating up to ₹ 490.00 million by Dorite Tracon Private Limited, up to [●] Equity Shares aggregating up to ₹ 1,740.00 million by Narantak Dealcomm Limited and up to [●] Equity Shares aggregating up to ₹ 20.00 million by Toplight Mercantiles Private Limited
Price Band	Price Band of the Floor Price and the Cap Price including any revisions thereof The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company, in consultation with the BRLMs and will be advertised, at least two Working Days prior to the Bid/Offer Opening Date, in [●] editions of [●], an English national newspaper, [●] editions of [●], a Hindi national newspaper, and [●] edition of [●], a Bengali newspaper (Bengali being the regional language of West Bengal, where our Registered and Corporate Office is located), each with wide circulation. It shall also be made available to the Stock Exchanges for the purpose of uploading on their websites
Pricing Date	The date on which our Company and the Selling Shareholders, in consultation with the BRLMs, shall finalize the Offer Price
Prospectus	The Prospectus of our Company to be filed with the RoC for this Offer after the Pricing Date, in accordance with Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations, containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information including any addenda or corrigenda thereto
Public Offer Account Bank	The bank with which the Public Offer Account(s) shall be opened and maintained, in this case being [●]
Public Offer Account(s)	Bank account(s) opened under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account and ASBA Accounts on the Designated Date
QIB Category/QIB Portion	The portion of the Offer, being not more than 50% of the Offer or [●] Equity Shares to be Allotted to QIBs on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company and the Selling Shareholders, in consultation with the BRLMs, subject to valid Bids being received at or above the Offer 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	The Red Herring Prospectus of our Company 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 price at which the Equity Shares will be issued and the size of the Offer including any addenda or corrigenda thereto The Red Herring Prospectus shall be filed with the RoC at least three days before the Bid/Offer 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 to the Anchor Investors shall be made
Refund Bank(s)	The Bankers to the Offer with whom the Refund Account(s) will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with SEBI and 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 and the SEBI UPI Circulars, issued by SEBI
Registrar Agreement	The agreement dated February 23, 2021, entered into amongst our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar and Share Transfer Agents or RTAs	Registrars to an issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI
Registrar to the Offer or Registrar	Kfin Technologies Private Limited
Retail Individual Bidder(s)/RIB(s)	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 Offer (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Offer being not less than 35% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidder(s) in accordance with the SEBI ICDR Regulations which shall not be less than the Minimum Bid Lot, subject to valid Bids being received at or above the Offer 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 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 and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/Offer

Term	Description
	Period and withdraw their Bids until Bid/Offer Closing Date
SBICAP	SBI Capital Markets Limited
SEBI UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and the 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, the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and any subsequent circulars or notifications issued by SEBI in this regard
Share Escrow Agreement	The agreement dated [●] entered into amongst the Selling Shareholders, our Company and a share escrow agent, in connection with the transfer of the respective portion of Offered Shares and credit of such Equity Shares to the demat account of the Allottees
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 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://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time
Sponsor Bank	The Banker to the Offer registered with SEBI, which has been 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 Retail Individual Investors and carry out any other responsibilities, in terms of the SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in this case being [●]
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms from the Bidders, a list of which is which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Stock Exchanges	Collectively, NSE and BSE
Syndicate	Collectively, the BRLMs and the Syndicate Members
Syndicate Agreement	Agreement dated [●] to be entered into amongst the BRLMs, the Syndicate Members, our Company and the Selling Shareholders in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, [●]
Underwriters	[●]
Underwriting Agreement	The agreement among the Underwriters, our Company and the Selling Shareholders to be entered into on or after the Pricing Date, but prior to the filing of the Prospectus
UPI	Unified payments interface which is an instant payment mechanism, developed by NPCI
UPI ID	Identity document created on 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 application and by way of a SMS directing the RIB to such UPI application) to the RIB initiated by the Sponsor Bank to authorize blocking of funds in the relevant ASBA Account through 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 an RIB to make a Bid in the Offer in accordance with the SEBI UPI Circulars
UPI PIN	Password to authenticate UPI transaction
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/Offer Period, the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI, including the SEBI UPI Circulars

Technical/Industry Related Terms/Abbreviations

Term	Description
Average cost of Power from Captive Power Plant	Average cost of Power from Captive Power Plant = $\frac{\text{Total cost of power from all Captive Power Plants}}{\text{Total production units}}$
EBITDA	EBITDA = Profit/(loss) before tax + finance costs + depreciation and amortization expense – other non-operating income
FSA	Fuel Supply Agreements
Gross Debt to EBITDA	Gross Debt to EBITDA = $\frac{\text{Gross Debt}}{\text{EBITDA}}$ Gross Debt = long term borrowings + short term borrowings + current maturities of long term borrowing
Gross Debt to Equity	Gross Debt to Equity = $\frac{\text{Gross Debt}}{\text{Total Equity}}$ Gross Debt = long term borrowings + short term borrowings + current maturities of long term borrowings

Term	Description
	Total Equity = Equity Share capital + other equity
Interest Coverage	Interest coverage = Operating EBIT/Finance cost EBIT = Profit/(loss) before tax + interest – Other Income
Kwh	Kilowatt hour
MTPA	Million tonnes per annum
MVA	Mega Volt Ampere
MW	Mega watt
RoCE	RoCE (Return on Capital Employed) = Operating EBIT / Total capital employed Operating EBIT = Profit/(loss) before tax + interest cost – Other Income Total capital employed = Total assets – current liabilities* *Current maturities on long term debt has been excluded from current liabilities
TMT	Thermo mechanically treated
TPA	Tonnes per annum
TPD	Tonnes per day
TPH	Tonne per heat

Conventional and General Terms or Abbreviations

Term	Description
₹/Rs./Rupees/INR	Indian Rupees
AIF(s)	Alternative Investment Fund(s) as defined in and registered with SEBI under the SEBI AIF Regulations
Air Act	Air (Prevention and Control of Pollution) Act, 1981
AS/Accounting Standards	Accounting Standards issued by the ICAI
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
Companies Act, 2013	The Companies Act, 2013, and the rules and clarifications issued thereunder to the extent in force pursuant to the notification of the Notified Sections
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DPITT	Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
DP ID	Depository Participant’s Identification
DP/ Depository Participant	A depository participant as defined under the Depositories Act
EGM	Extraordinary General Meeting
EPF Act	Employees’ Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
FCNR	Foreign Currency Non-Resident
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, and the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued by the Ministry of Finance, Government of India
Financial Year/Fiscal/fiscal/ /FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FPI(s)	Foreign portfolio investor(s) as defined under the SEBI FPI Regulations
FVCI(s)	Foreign venture capital investor(s) as defined and registered under the SEBI FVCI Regulations
GoI/Government	Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards as adopted by the International Accounting Standards Board
Income Tax Act, IT Act	The 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

Term	Description
LIBOR	London Interbank Offered Rate
MCLR	Marginal Cost of funds based Lending Rate
Mutual Fund(s)	Mutual funds registered under the SEBI (Mutual Funds) Regulations, 1996
N.A./ NA	Not Applicable
NAV	Net Asset Value
NACH	National Automated Clearing House
NEFT	National Electronic Fund Transfer
Non-Resident	A person resident outside India, as defined under FEMA and includes a Non Resident Indian and FPIs
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the Ministry of Corporate Affairs, Government of India, and are currently in effect
NR	Non-resident
NRE Account	Non Resident External Account
NRI	An individual resident outside India who is a citizen of India or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
OCI	Other Comprehensive Income
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI 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
U.S. Securities Act	U.S. Securities Act of 1933, as amended
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
Systemically Important NBFCs	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
U.S./USA/United States	United States of America
UK	United Kingdom
US GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. QIBs	"Qualified institutional buyers" as defined in Rule 144A. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs"
USD/US$	United States Dollars
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
Wilful Defaulter	Wilful Defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR 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 the Republic of India and all references to the "US", "USA" or "United States" are to the United States of America, together with its territories and possessions.

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

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 otherwise or the context otherwise requires, the financial data in this Draft Red Herring Prospectus is derived from the Restated Financial Statements. The Restated Financial Statements comprises the restated consolidated Ind AS summary statements of assets and liabilities as at December 31, 2020, December 31, 2019, March 31, 2020, March 31, 2019 and March 31, 2018, and the restated consolidated Ind AS summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the nine months ended December 31, 2019 and December 31, 2020, and for the years ended March 31, 2020, March 31, 2019 and March 31, 2018, together with the summary of significant accounting policies and explanatory information thereon, which have been derived from our audited consolidated financial statements as at and for the nine months ended December 31, 2019 and December 31, 2020 prepared in accordance with Ind AS 34, and our audited financial statements as at and for the years ended March 31, 2020, March 31, 2019 and March 31, 2018 each prepared in accordance with Ind AS, and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note.

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 the context otherwise indicates, any percentage amounts, as set forth in the sections entitled "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Conditional and Results of Operations*" on pages 21, 131 and 285 respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Financial Statements.

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 the percentage figures have been rounded off to two decimal places including percentage figures in the sections entitled "*Risk Factors*", "*Industry Overview*" and "*Our Business*" on pages 21, 98 and 131 respectively.

Non-GAAP Measures

There are significant differences between Ind AS and US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. For details in connection with risks involving differences between Ind AS, US GAAP and IFRS, please see the section entitled "*Risk Factors - 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.*" on page 47. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

EBITDA and EBITDA Margin, presented in this Draft Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, EBITDA and EBITDA Margin are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ 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, IFRS or US GAAP. In addition, EBITDA and EBITDA Margin, are not standardised terms, hence a direct comparison of these Non-GAAP measures between companies may not be possible. Other companies may calculate these Non-GAAP measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and

- “USD” or “US$” or “$” are to United States Dollar, the official currency of the United States of America

Our Company has presented all numerical information in this Draft Red Herring Prospectus in “million” units or in whole numbers where the numbers have been too small to represent in millions. One million represents 1,000,000 and one billion represents 1,000,000,000.

Exchange Rates

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

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the USD (in Rupees per USD) and the Rupee and the EUR (in Rupees per EUR):

Currency	As on December 31, 2020 (₹)	As on December 31, 2019 (₹)	As on March 31, 2020 (₹)	As on March 31, 2019 (₹)	As on March 31, 2018 (₹)
1 USD	73.05	71.27	75.39	69.17	65.04
1 EUR	89.79	79.88	83.05	77.70	80.62

Source: RBI Reference Rate (for the period prior to July 10, 2018) and www.fbil.org.in (for the period post July 10, 2018)
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

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

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe the industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by us, the BRLMs or any of their affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 21. Accordingly, investment decisions should not be based solely on such information.

Certain information in the sections entitled “*Summary of the Offer Document*”, “*Industry Overview*” and “*Our Business*” on pages 16, 98 and 131, respectively of this Draft Red Herring Prospectus has been obtained from the report titled “*Market Assessment and outlook across Steel Industry value chain*” dated February 2021 prepared by CRISIL Limited which has issued the following disclaimer:

“CRISIL Research, a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data / Report and is not responsible for any errors or omissions or for the results obtained from the use of Data / Report. This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of this Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Shyam Metalics and Energy Limited will be responsible for ensuring compliances and consequences of non-complainces for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL’s Ratings Division / CRISIL Risk and Infrastructure Solutions Ltd (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research and not of CRISIL’s Ratings Division / CRIS. No part of this Report may be published/reproduced in any form without CRISIL’s prior written approval.”

In accordance with the SEBI ICDR Regulations, “*Basis for Offer Price*” on page 92 includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLMs have independently verified such information.

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

Notice to Prospective Investors in the United States

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Issue, including the merits and risks involved. The Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (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 being offered and sold (a) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as "**U.S. QIBs**") in transactions exempt from the registration requirements of the U.S. Securities Act and (b) outside the United States in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales are made. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs".

Notice to Prospective Investors in the European Economic Area

This Draft Red Herring Prospectus has been prepared on the basis that all offers of Equity shares in Member States of the European Economic Area ("**EEA**") (each a "**Member State**") or the United Kingdom ("**UK**") will be made pursuant to an exemption under the Prospectus Regulation from the requirement to produce a prospectus for offers of Equity Shares. The expression "Prospectus Regulation" means Regulation (EU) 2017/1129 of the European Parliament and Council EC (and amendments thereto). Accordingly, any person making or intending to make an offer within the EEA or the UK of Equity Shares which are the subject of the placement contemplated in this Draft Red Herring Prospectus should only do so in circumstances in which no obligation arises for our Company or any of the members of the BRLMs to produce a prospectus for such offer. None of our Company and the BRLMs have authorized, nor do they authorize, the making of any offer of Equity Shares through any financial intermediary, other than the offers made by the members of the Syndicate which constitute the final placement of Equity Shares contemplated in this Draft Red Herring Prospectus.

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Equity Shares have been subject to a product approval process, which has determined that such Equity Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, "distributors" (for the purposes of the MiFID II Product Governance Requirements) ("**Distributors**") should note that: the price of the Equity Shares may decline and investors could lose all or part of their investment; the Equity Shares offer no guaranteed income and no capital protection; and an investment in the Equity Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Issue. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Equity Shares. Each Distributor is responsible for undertaking its own target market assessment in respect of the Equity Shares and determining appropriate distribution channels.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute "forward-looking statements". All statements regarding our expected financial condition and results of operations, business, plans and prospects are "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "likely to", "seek to", "shall", "objective", "plan", "project", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our Company's strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements whether made by us or any third parties in this Draft Red Herring Prospectus are based on our current plans, estimates, presumptions and expectations and 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, including but not limited to, regulatory changes pertaining to the industry in which our Company has businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in its industry. Important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

- Loss of any of our suppliers or a failure by our suppliers to deliver some of our primary raw materials;
- Continuing impact of the outbreak of the COVID-19;
- Requirement to pay liquidated damages to suppliers of coal and chrome ore in the event of the Company not lifting a specified percentage of the annual contracted capacity;
- Dependance on stable and reliable logistics and transportation infrastructure;
- Volatility in the demand and pricing in the steel industry and the cyclical nature of the industries it serves;
- Volatility in the prices of raw materials and energy;
- Unexpected loss, shutdown or slowdown of operations at any of our facilities;
- Our inability to successfully implement our expansion programmes;
- Our inability to expand or effectively manage our distributors or brokers, or any disruptions in our distribution network; and
- Developments in the competitive environment in the steel industry, such as consolidation among our competitors

For further discussion of factors that could cause the actual results to differ from the expectations, please see the sections entitled "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 21, 131 and 285, 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 future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

These statements are based on our management's belief and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward looking statements are based on are reasonable, any of these assumptions could prove to be inaccurate and the forward looking statements based on these assumptions could be incorrect. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance. Neither our Company, our Directors, the BRLMs nor any Syndicate member nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Promoter Selling Shareholders shall ensure that investors in India are informed of material developments from the date of the Red Herring Prospectus in relation to the statements and undertakings made by them in this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer. The Promoter Selling Shareholders shall, severally and not jointly, ensure that investors are informed of material developments in relation to statements and undertakings specifically made or confirmed by such Promoter Selling Shareholder in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus until the grant of listing and trading permission by the Stock Exchanges.

SECTION II - SUMMMARY OF THE OFFER DOCUMENT

The following is a general summary of the terms of the Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus 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 in the sections entitled "Risk Factors", "The Offer", "Capital Structure", "Objects of the Offer", "Industry Overview", "Our Business", "Outstanding Litigation and Other Material Developments", "Offer Procedure" and "Main Provisions of Articles of Association" on pages 21, 50, 63, 79, 98, 131, 321, 355 and 372 respectively.

Summary of Business

We are a leading integrated metal producing company based in India (*Source: CRISIL Report*) with a focus on long steel products and ferro alloys. We are amongst the largest producers of ferro alloys in terms of installed capacity in India, as of February 2021 (*Source: CRISIL Report*). We have the ability to sell intermediate and final products across the steel value chain. As of March 31, 2020, we were one of the leading players in terms of pellet capacity and the fourth largest player in the sponge iron industry in terms of sponge iron capacity in India (*Source: CRISIL Report*). For further details, please see the section entitled "*Our Business*" on page 131.

Summary of Industry

India steel demand has increased at a CAGR of approximately 5.4% during Fiscal 2015 to Fiscal 2020. Going forward, steel demand is expected to recover and continue its strong growth rate at 5.0% to 6.0% through Fiscal 2025 supported by the Government led initiatives especially affordable housing and infrastructure projects in metro, road, and urban infra space (which are more steel intensive). Further, the Government's impetus on infrastructure is expected to drive double digit steel demand growth in Fiscal 2022 (*Source: CRISIL Report*). For further details, please see the section entitled "*Industry Overview*" on page 98.

Names of Promoters

The Promoters of our Company are Mahabir Prasad Agarwal, Brij Bhushan Agarwal, Sanjay Kumar Agarwal, Subham Capital Private Limited, Subham Buildwell Private Limited, Narantak Dealcomm Limited, Kalpataru Housefin & Trading Private Limited, Dorite Tracon Private Limited and Toplight Mercantiles Private Limited.

For details, please see the section entitled "*Our Promoters and Promoter Group*" on page 192.

Offer Size

Offer	Up to [●] Equity Shares, aggregating up to ₹ 11,070.00 million
which consists of:	
- Fresh Issue(1)	Up to [●] Equity Shares, aggregating up to ₹ 6,570.00 million
- Offer for Sale(2)	Up to [●] Equity Shares, aggregating up to ₹ 4,500.00 million by the Selling Shareholders

(1) The Offer has been authorized by a resolution of our Board dated February 12, 2021, and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated February 19, 2021.

(2) The Equity Shares being offered by the Selling Shareholders have been held for a period of at least one year immediately preceding the date of this Draft Red Herring Prospectus with SEBI, and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. The Selling Shareholders, severally and not jointly, have confirmed and authorized their respective participation in the Offer for Sale. For further information, please see the section entitled "Other Regulatory and Statutory Disclosures" on page 333.

For further details, please see the section entitled "*The Offer*" on page 50.

Objects of the Offer

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

Particulars	Amount (in ₹ million)
Repayment/pre-payment, in full or part, of debt of our Company and SSPL, one of our Subsidiaries	4,700.00
General corporate purposes*	[●]

* *To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the Fresh Issue.*

Aggregate pre-Offer Shareholding of Promoters, Promoter Group and Selling Shareholders

The aggregate pre-Offer shareholding of Promoter and Promoter Group as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No	Name of Shareholder	No. of pre-Offer Equity Shares held	% of total paid up pre-Offer Equity Share capital
Promoters			
1.	Brij Bhushan Agarwal	23,284,820	9.97
2.	Sanjay Kumar Agarwal	31,580	0.01
3.	Mahabir Prasad Agarwal	2,525#	0.00*
4.	Subham Buildwell Private Limited	72,597,250	31.08
5.	Narantak Dealcomm Limited	54,063,340	23.14
6.	Subham Capital Private Limited	41,994,770	17.98
7.	Kalpataru Housefin & Trading Private Limited	22,219,150	9.51
8.	Dorite Tracon Private Limited	15,196,665	6.51
9.	Toplight Mercantiles Private Limited	698,750	0.30
	Total (A)	**230,088,850**	**98.49**
Promoter Group			
1.	Brij Bhushan Agarwal (HUF)	2,250,000	0.96
2.	Mittu Agarwal	1,133,750	0.49
3.	Kiran Vimal Agarwal	45,000	0.02
4.	Sangeeta Agarwal	45,000	0.02
5.	Anita Jhunjhunwala	45,000	0.02
6.	Bajrang Lal Agarwal	2,500	0.00*
	Total (B)	3,521,250	1.51
	Total (A) + (B)	**233,610,100**	**100.00**

** less than 0.01%*

 # Pursuant to the scheme of amalgamation of Inforev Software Private Limited and Amazing Vinimay Pvt. Ltd. with our Company, as approved by the Calcutta High Court by order dated October 3, 2016, Mahabir Prasad Agarwal holds 4 Equity Shares for the fractional entitlement of the shareholders of Inforev Software Private Limited and 1 Equity Share for the fractional entitlement of the shareholders of Amazing Vinimay Pvt. Ltd. Pursuant to the bonus issue of Equity Shares on June 20, 2018, the total Equity Shares held pursuant to such scheme of amalgamation and fractional entitlement now represents 25 Equity Shares.

The aggregate pre-Offer shareholding of the Selling Shareholders as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No	Name of Selling Shareholder	No. of pre-Offer Equity Shares held	% of total paid up pre-Offer Equity Share capital
1.	Dorite Tracon Private Limited	15,196,665	6.51
2.	Narantak Dealcomm Limited	54,063,340	23.14
3.	Subham Capital Private Limited	41,994,770	17.98
4.	Toplight Mercantiles Private Limited	698,750	0.30
5.	Subham Buildwell Private Limited	72,597,250	31.08
6.	Kalpataru Housefin & Trading Private Limited	22,219,150	9.51
	Total (A) + (B)	**206,769,925**	**88.51**

Summary of Financial Information

A summary of the financial information of our Company as per the Restated Financial Statements is as follows:

(in ₹ million except otherwise stated)

Particulars	Nine months ended December 31, 2020	Nine months ended December 31, 2019	Fiscal		
			2020	2019	2018
Share capital	2,336.10	2,336.10	2,336.10	2,336.10	467.22
Net worth	32,852.76	27,466.55	28,259.75	24,896.60	18,539.89
Revenue (total income)	39,956.32	33,164.48	43,953.02	46,845.60	39,203.99
Profit after tax	4,563.21	2,603.61	3,403.29	6,367.83	5,280.39
Earnings per share (basic and diluted)					
- Basic (in ₹)	19.53	11.15	14.57	25.86	18.17
- Diluted (in ₹)	19.53	11.15	14.57	25.86	18.17
Net asset value per Equity Share (in ₹)	140.63	117.57	120.97	106.57	79.36
Total borrowings	8,862.92	10,410.33	13,304.78	7,221.14	5,641.03

Qualifications of the Statutory Auditors

There are no auditor qualifications which require corrective adjustments, and which have not been given effect to in the Restated Financial Statements. For further details, please see the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 285.

Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, our Promoters, our Directors, our Subsidiaries and litigation involving our Group Companies which have a material impact on the Company, as on the date of this Draft Red Herring Prospectus is as follows:

Name of Entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Material civil litigation	Aggregate amount involved (₹ in million)*
Company					
By the Company	6	Nil	Nil	4	530.86
Against the Company	Nil	27	7	2	963.27
Directors					
By the Directors	Nil	Nil	Nil	Nil	-
Against the Directors	17	Nil	Nil	Nil	-
Promoters					
By the Promoters	10	Nil	Nil	2	227.18
Against the Promoters (including the individuals Promoters)	1	9	Nil	Nil	40.30
Subsidiaries					
By the Subsidiaries	16	Nil	Nil	4	2,931.56
Against the Subsidiaries	1	50	1	Nil	3,040.07
Total	**51**	**86**	**8**	**12**	**7,733.24**

**To the extent quantifiable.*

For details in relation to the pending litigation involving our Group Companies that have a material impact on our Company, and for further details of the outstanding litigation proceedings involving the Company, Directors, Promoters and Subsidiaries, please see the section entitled "*Outstanding Litigation and Other Material Developments*" beginning on page 321.

Risk Factors

Please see the section entitled "*Risk Factors*" beginning on page 21.

Summary of Contingent Liabilities of our Company

A summary of our contingent liabilities as on December 31, 2020, as indicated in our Restated Financial Statements is as follows:

(in ₹ million)

Particulars	As of December 31, 2020
Unredeemed Bank Guarantees on behalf of the joint venture	20.02
Other Unredeemed Bank Guarantees	1,263.08
Bills discounted with banks	367.18
i. Excise Duty	1,096.74
ii. Service Tax	3.88
iii. Custom Duty	46.93
iv. Sales Tax	243.36
v. ESI	1.39
Total	**3,042.58**

For details, please see the section entitled "*Financial Information – Note 42 – Commitments and Contingent Liabilities*" on page 261.

Summary of Related Party Transactions

A summary of related party transactions entered into by our Company with related parties are as follows:

(in ₹ million)

Nature of Transactions	Nine months ended December 31, 2020	Nine months ended December 31, 2019	Fiscal 2020	Fiscal 2019	Fiscal 2018
Sale of Goods	336.40	554.14	1,056.35	1,439.54	561.85
Commission (Income)	-	-	-	-	0.25
Commission (Expense)	-	18.62	18.62	-	-

Nature of Transactions	Nine months ended December 31, 2020	Nine months ended December 31, 2019	Fiscal 2020	Fiscal 2019	Fiscal 2018
Sale of Licence	-	-	-	7.79	21.86
Purchase of Licence	1.46	25.95	36.72	7.04	-
Purchase of Goods	304.93	270.10	629.21	1,215.64	820.39
Rent Paid and Office Maintenance (Expense) (Net of TDS)	0.57	0.53	0.86	0.86	0.65
Remuneration	22.57	27.37	61.46	63.22	16.47
Purchase of Investments	-	0.51	106.41	2,086.93	950.34
Sale of Investments	-	0.06	0.04	30.97	-
Advances Given	2,873.97	570.65	2,424.06	5,762.18	4,030.55
Advances Received back	4,577.87	948.33	4,114.89	8,640.17	3,614.00
Loans Received	692.40	1,762.90	1,796.40	2,037.10	-
Loans Repaid	523.08	1,270.40	1,796.40	2,043.91	-
Loans Given	0.70	-	-	166.85	-
Interest on Loan Taken	9.74	-	-	-	-

For details of the related party transactions and as reported in the Restated Financial Statements, please see the section entitled *"Financial Information"* beginning on page 210.

Financing Arrangements

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives (as defined in Companies Act 2013) and the directors of our Promoters have financed the purchase by any other person of securities of our Company other than in the normal course of business of such 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 and the Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus

Our Promoters and the Selling Shareholders have not acquired any Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

Average Cost of Acquisition of Equity Shares

The average cost of acquisition per Equity Share to our Promoters and the Selling Shareholders as at the date of this Draft Red Herring Prospectus is:

Name	Number of Equity Shares held	Average cost of Acquisition per Equity Share (in ₹)*
Promoters		
Subham Buildwell Private Limited	72,597,250	2.37
Narantak Dealcomm Limited	54,063,340	10.39
Subham Capital Private Limited	41,994,770	2.54
Brij Bhushan Agarwal	23,284,820	0.75
Kalpataru Housefin & Trading Private Limited	22,219,150	8.04
Dorite Tracon Private Limited	15,196,665	10.72
Toplight Mercantiles Private Limited	698,750	5.94
Sanjay Kumar Agarwal	31,580	4.29
Mahabir Prasad Agarwal**	2,525**	2.00
Selling Shareholders		
Dorite Tracon Private Limited	15,196,665	10.72
Narantak Dealcomm Limited	54,063,340	10.39
Subham Capital Private Limited	41,994,770	2.54
Toplight Mercantiles Private Limited	698,750	5.94
Subham Buildwell Private Limited	72,597,250	2.37
Kalpataru Housefin & Trading Private Limited	22,219,150	8.04

** As per certificate issued by our Statutory Auditors dated February 24, 2021.*

*** Pursuant to the scheme of amalgamation of Inforev Software Private Limited and Amazing Vinimay Pvt. Ltd. with our Company, as approved by the High Court of Calcutta by order dated October 3, 2016, Mahabir Prasad Agarwal holds four Equity Shares for the fractional entitlement of the shareholders of Inforev Software Private Limited and one Equity Share for the fractional entitlement of the shareholders of Amazing Vinimay Pvt. Ltd. Pursuant to the bonus issue of Equity Shares on June 20, 2018, the total Equity Shares held pursuant to such scheme of amalgamation and fractional entitlement now represents 25 Equity Shares.*

Details of pre-Offer Placement

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus till the listing of the Equity Shares.

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 / Consolidation of Equity Shares in the last one year

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

SECTION III: RISK FACTORS

An investment in equity shares involves a high degree of risk. Potential 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. The risks described below are not the only ones relevant to us or our Equity Shares, the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, results of operations and financial condition could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment. To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this section. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "Our Business", "Industry Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Information" beginning on pages 131, 98, 285 and 210, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer including the merits and risks involved.

Potential investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.

Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2018, 2019 and 2020 and for the nine months ended December 31, 2019 and 2020 included herein is derived from the Restated Financial Statements, included in this Draft Red Herring Prospectus. For further information, see "Financial Information" beginning on page 210.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ 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 "Forward-Looking Statements" on page 15.

Our Company's Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, in this section, references to "the Company" or "our Company" are to Shyam Metalics and Energy Limited on a standalone basis, and references to "the Group", "we", "us", "our", are to Shyam Metalics and Energy Limited and its Subsidiaries and Associates on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section have been derived from the report "Market Assessment and outlook across Steel Industry value chain" dated February 2021 (the "**CRISIL Report**") prepared and released by CRISIL Research, a division of CRISIL Limited, and commissioned by our Company in connection with the Offer. Also see, "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" on page 13.*

Risks relating to our Business

1. ***Loss of any of our suppliers or a failure by our suppliers to deliver some of our primary raw materials such as iron ore, iron ore fines, coal, chrome ore and manganese ore may have an adverse impact on our ability to continue our manufacturing process without interruption and our ability to manufacture and deliver the products to our customers without any delay.***

   Our ability to remain competitive, maintain costs and profitability depend, in part, on our ability to source and maintain a stable and sufficient supply of raw materials at acceptable prices. We procure some of our primary raw materials, such as, (i) iron ore, iron ore fines and manganese ore on a purchase order basis; (ii) with the exception of the fuel supply agreements that we have entered into certain parties, which accounted for 56.45% of our total coal purchases in Fiscal 2020, we import coal on a purchase order basis; and (iii) chrome ore (with the exception of long term linkages with Odisha Mining Corporation Limited) on a purchase order basis, and have not entered into long term contracts for the supply of such raw materials. Accordingly, we may encounter situations where we might be unable to manufacture and deliver our products due to, amongst other reasons, our inability to predict the increased demand for our products. As a result, the success of our business is significantly dependent on maintaining good relationships with our raw material suppliers. Absence of long-term supply contracts subject us to risks such as price volatility caused by various factors such as commodity market fluctuations, currency fluctuations, climatic and environmental conditions, production and transportation cost, changes in domestic as well as international government policies, and regulatory and trade sanctions. Since we also import a certain amount of raw materials from international suppliers, we remain susceptible to the risks arising out of raw material price fluctuations as well as import duties, which could result in a decline in our operating margins. Additionally, our inability to predict the market conditions may result in us placing supply orders for inadequate quantities of such raw materials.

Although we have not faced significant disruptions in the procurement of raw materials in the past, the lockdown imposed by the Government of India on account of the operating restrictions/ lockdown consequent to outbreak of COVID-19 pandemic temporarily affected our ability to source raw materials from certain vendors, located both internationally and domestically, who were unable to transport raw materials to us, in the months of March, April and May 2020. There can be no assurance that we will procure the quantities and quality of raw materials commensurate with our requirements in the future. Further, any delay/failure to deliver or delivery of wrong or sub-standard raw materials by our suppliers may have a material and adverse effect on our business, results of operations and financial condition.

If any of our major suppliers ceases to have business dealings with us or materially reduces the quantity of raw materials supplied to us and we are unable to secure new suppliers for such raw materials to meet the requirements at our manufacturing plants, our production schedule may be delayed and our business, financial condition, results of operations and prospects will be adversely affected. In addition, in case of loss of preferred suppliers for key raw materials, we may have to purchase such raw materials from others sources, which may not be of desirable quality and result in product recall or liability. Also, see "- *Product liability claims could adversely affect our operations.*" on page 30.

2. ***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 Sambalpur and Jamuria manufacturing plants have captive railways sidings 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. Further, on account of operating restrictions/ lockdown consequent to outbreak of the COVID-19 pandemic, our third-party transportation providers' operations were disrupted in the months of March, April and May 2020. 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.

3. ***The demand and pricing in the 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.***

Steel prices fluctuate based on a number of factors, such as, the availability and cost of raw material inputs, fluctuations in domestic and international demand and supply of steel and steel products, international production and capacity, fluctuation in the volume of steel imports, transportation costs, protective trade measures and various social and political factors, in the economies in which the steel producers sell their products and are sensitive to the trends of particular industries, such as, the construction and machinery industries. When downturns occur in these economies or sectors, we may experience decreased demand for our products, which may lead to a decrease in steel prices, which may, in turn, have a material adverse effect on our business, results of operations, financial condition and prospects.

The Indian steel industry went through a difficult phase during 1997-98, 2002-03, 2008-09 and 2014-15 (*Source: CRISIL Report*). However, subsequently the India steel demand increased at a CAGR of approximately 5.4% during Fiscal 2015 to Fiscal 2020 (*Source: CRISIL Report*). Nonetheless, steel demand is expected to decline by 5.5% to 6.5% in Fiscal 2021 before recovering in Fiscal 2022 (*Source: CRISIL Report*). 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-downs 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.

In addition, substantial decreases in steel prices during periods of economic weakness have not always been balanced by commensurate price increases during periods of economic strength. Any sustained price recovery will most likely require a broad economic recovery, in order to underpin an increase in real demand for steel products by end users.

4. The COVID-19 pandemic and resulting deterioration of general economic conditions has impacted our business and results of operations in the past and the extent to which it will impact our future business and results of operations will depend on future developments, which are difficult to predict.

Since first being reported in December 2019, the outbreak of COVID-19 has spread globally. The World Health Organization declared the novel coronavirus disease ("**COVID-19**") outbreak a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020. The rapid and diffused spread of COVID-19 and global health concerns relating to this pandemic have had a severe negative impact on, among other things, financial markets, liquidity, economic conditions and trade and could continue to do so or could worsen for an unknown period of time, that could in turn have a material adverse impact on our business, cash flows, results of operations and financial condition, including liquidity and growth. The extent to which the COVID-19 outbreak impacts our business, cash flows, results of operations and financial condition will depend on future developments, including on the duration and severity of the pandemic, the nature and scope of government actions to contain it, and the potential impact on global and national economic conditions, including inflation, interest rates, availability of capital markets, consumer spending rates, energy availability and costs (including fuel surcharges), which are highly uncertain and cannot be predicted. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause unprecedented economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and are likely to be severe. In addition, while the Government of India in coordination with the state governments have started the bulk immunization process or vaccination drive since January 16, 2021, such vaccination drive is currently focused on healthcare and front-line workers and achieving a complete vaccination scale may take significant amount of time. There is also no assurance that the vaccines that are developed will be fully effective and/ or may not have side effects.

On March 14, 2020, India declared COVID-19 as a 'notified disaster' and imposed a nationwide lockdown announced on March 24, 2020. Subsequently, progressive relaxations have been granted for movement of goods and people and cautious re-opening of businesses and offices. However, since manufacturing of steel was determined to be an essential commodity, we continued operations at our Sambalpur manufacturing plant, however, our Jamuria and Mangalpur manufacturing plants were operating with few operational production plants and limited workforce, and only after May 23, 2020, our Jamuria and Mangalpur manufacturing plants increased their operations and workforce in a phased manner in accordance with the specific directions/ guidelines issued by the State Government. Further, our manufacturing plants are currently operating subject to certain social distancing and additional safety measures, such as, regular temperature checks, regular sanitization, and compulsory use of masks and hand sanitization. The COVID-19 pandemic resulted in some disruptions in the supply of raw materials from our domestic and international suppliers during the months of March, April and May 2020. We also experienced some disruptions in supply chain and inventory management, as well as delays in orders. We continue to closely monitor the impact that COVID-19 may have on our business and results of operations. Adverse effects of the COVID-19 pandemic may also significantly increase the effect of the aforementioned factors affecting our results of operations.

The COVID-19 pandemic and related volatility in financial markets and deterioration of national and global economic conditions could affect our business and operations in a variety of ways. For instance, on account of operating restrictions/ lockdown consequent to the outbreak of the COVID-19 pandemic, we may experience operational disruptions as a result of the following:

- a temporary shutdown of our manufacturing plants due to government restrictions or illness in connection with COVID-19;
- a decrease in demand for our products as a result of COVID-19 on account of government restrictions imposed and additionally on account of cost control measures implemented by our customers;
- supply chain disruptions for us and our customers;
- a significant percentage of our workforce being unable to work, including because of travel or government restrictions in connection with COVID-19, including stay at home orders;
- delays in orders or delivery of orders;
- our strategic projects getting postponed or our planned deliveries being delayed; and
- inability to collect full or partial payments from some customers due to deterioration in customer liquidity.

The extent to which the COVID-19 impacts our business and results will depend on future developments, which are highly uncertain and cannot be predicted, such as new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. In addition, we cannot predict the impact that the COVID-19 pandemic will have on our customers, suppliers and other business partners, and each of their financial conditions; however, any material effect on these parties could adversely impact us. As a result of these uncertainties, the impact may vary significantly from that estimated by our management from time to time, and any action to contain or mitigate such impact, whether government-mandated or opted by us, may not have the anticipated effect or may fail to achieve its intended purpose altogether. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. Further, our Statutory Auditors have in their reports to the audited financial statements for nine months period ended December 31, 2020 and for the year ended March 31, 2020 included an emphasis of matter on impact of COVID-19 on our operations.

As of the date of this Draft Red Herring Prospectus, there is significant uncertainty relating to the severity of long-term adverse impact of the COVID-19 pandemic on the global economy, global financial markets and the Indian economy, and we are unable to accurately predict the long-term impact of the COVID-19 pandemic on our business. To the extent that the COVID-19 pandemic adversely affects our business and operations, it may also have the effect of heightening many of the other risks described in this "*Risk Factors*" section.

5. The steel industry is characterized by volatility in the prices of raw materials and energy which could adversely affect our profitability.

Steel production requires substantial amounts of raw materials and energy, including iron ore, iron ore fines, non-coking coal and coke, scrap and power, which are subject to significant price volatility. The production of steel is capital intensive, with a high proportion of fixed costs to total costs. Consequently, steel producers generally seek to maintain high capacity utilization. If capacity exceeds demand, there is a tendency for prices to fall sharply if supply is largely maintained. Conversely, expansion of capacity requires long lead times so that, if demand grows strongly, prices increase rapidly, as unutilized capacity cannot be brought on line as quickly. The result can be substantial price volatility.

For instance, long steel product prices increased by approximately 7% on-year in Fiscal 2020 on account of faster recovery in infrastructure space and is expected to increase to ₹ 43,000 to 44,500 per tonne in Fiscal 2021. Further, the long steel products prices are expected to increase by 3% to 5% in Fiscal 2021 primarily on account of healthy demand recovery and rising cost push from iron ore. Further, primary long steel prices increased by 0.8% in Fiscal 2020 to ₹ 40,380 per tonne. However, secondary TMT prices experienced a decline primarily due to lower bargaining power. In Fiscal 2019, long steel prices had increased by 11% on-year on account of healthy rise in long steel demand supported by rising iron ore and scrap prices. In addition, international ferrochrome prices declined by 13% on-year to $899 per tonne in Fiscal 2020 on account of weak demand in China coupled with global oversupply. Domestic prices for ferrochrome followed a similar trend with 16% on-year decline in prices to ₹ 62,975 per tonne on account of weak demand. Going forward, prices for ferrochrome are expected to moderately increase in Fiscal 2021 due to severe chrome ore supply disruptions. In relation to manganese alloy, prices are expected to decline in Fiscal 2021 by 3-5% on-year due to declining demand as both global and domestic crude steel production to fall due to weak demand on account of the COVID-19 pandemic. Moreover, falling domestic manganese ore prices due to decline in global manganese ore prices due to oversupply situation to further weigh on the alloy prices. The first four months of Fiscal 2021 experienced a 6% decline in domestic ferro manganese prices. Supply rebalancing led by higher output from China and Malaysia coupled with moderating crude steel demand led to decline in global prices in Fiscal 2020. Similarly, domestic ferromanganese prices declined by 8% primarily owing to low demand as domestic crude steel production fell by 1.5%. (*Source: CRISIL Report*)

We may be negatively affected by significant price volatility, particularly in the event of excess production capacity in the global steel market, and incur operating losses as a result.

6. The unexpected loss, shutdown or slowdown of operations at any of our manufacturing plants could have a material adverse effect on our results of operations and financial condition.

Our manufacturing plants are subject to operating risks, such as the breakdown or failure of equipment, power supply interruptions, facility obsolescence or disrepair, labour disputes, natural disasters and industrial accidents. While we undertake precautions to minimize the risk of any significant operational problems at our plants, there can be no assurance that our business, financial position and operations will not be adversely affected by disruption caused by operational problems at our manufacturing plants. Any unscheduled, unplanned or prolonged disruption of our manufacturing operations, including, power failure, fire and unexpected mechanical failure of equipment, performance below expected levels of output or efficiency, obsolescence, labour disputes, strikes, lock-outs, earthquakes and other natural disasters, industrial accidents, any significant social, political or economic disturbances or infectious disease outbreaks such as the COVID-19 pandemic, could reduce our ability to meet the conditions of our contracts and adversely affect sales and revenues from operations in such period. The occurrence of any of these risks could affect our operations by causing production at one or more manufacturing plant to shut down or slowdown. We have in the past faced such instances. For example in 2010, one of our ferro alloy plants located at the Sambalpur manufacturing plant was damaged due to a fire which resulted in production stoppage of approximately six months. Further, in 2015, the transformer for one of our ferro alloy plants located at the Sambalpur manufacturing plant suffered a breakdown which resulted in a production stoppage for more than two months. Further, recently, due to the operating restrictions/ lockdown consequent to COVID-19 pandemic, our Jamuria and Mangalpur manufacturing plants were operating with few operational production plants and limited workforce, and only after May 23, 2020, our Jamuria and Mangalpur manufacturing plants increased their operations and workforce in a phased manner in accordance with the specific directions/ guidelines issued by the State Government. No assurance can be given that one or more of the factors mentioned above will not occur, which could have a material adverse effect on our results of operations and financial condition.

Further, one of our primarily raw materials, coal, depending on our inventory levels at times, is also stored in open areas at our manufacturing plants and hence is prone to catching fire in the summer due to high temperatures. For example in 2016, there were two instances of spontaneous combustion of coal at our Sambalpur manufacturing plant. Any loss of coal as a result could have a material adverse effect on our results of operations and financial condition. In addition, some of our key equipment may, on occasion, be out of service as a result of routine servicing or unanticipated failures, which could require us to close part or all of the relevant manufacturing plant or cause production reductions on one or more of our manufacturing plants. Our manufacturing plant and such key equipment would be difficult and expensive to replace on a timely basis.

Our manufacturing plants are reliant on our captive power plants for the requirement of power. In Fiscals 2018, 2019 and 2020, and the nine months ended December 31, 2020, power units produced from our captive power plants accounted for 90.06%, 87.32%, 85.19% and 79.58%, respectively, of our total power units consumed. We have in the past faced instances which led to the shutdown of some of our captive power plants. For example, in 2011 and 2014, the turbine for our 15 MW and 30 MW captive power plants at Mangalpur and Jamuria suffered a breakdown which resulted in a stoppage of the production of energy for approximately three months and two months respectively. Further in 2016, two fly ash silos connected with the captive power plant at our Jamuria manufacturing plant collapsed resulting in a stoppage of the production of energy for approximately three months.

Any interruption in production may require significant and unanticipated capital expenditure to affect repairs or increase the cost of power, which could have a negative effect on profitability and cash flows. A sustained disruption to our business could also result in a loss of customers or imposition of penalties by our customers for failure to adhere to timelines. Any or all of these occurrences could result in the temporary or long-term closure of our manufacturing plants, severely disrupt our business operations and materially adversely affect our business, results of operations, financial condition and prospects.

7. If we are unable to successfully implement our proposed expansion plans, including our proposal to enter ductile pipe and aluminum foil business, our results of operations and financial condition could be adversely affected.

We have consistently increased our installed metal capacity (comprising of intermediate and final products). Recently, we have undertaken various expansions of our manufacturing plants, such as, (i) at our Sambalpur manufacturing plant, we installed (a) two iron pellet plants of 300,000 TPA and 600,000 TPA, sponge iron plant of 165,000 TPA, TMT plant of 60,000 TPA, wire rod plant of 200,000 TPA and a captive power plant of 33 MW in Fiscal 2020; and (b) a billet plant of 63,360 TPA in Fiscal 2019; and (ii) at our Jamuria manufacturing plant, we installed (a) a 115,500 TPA sponge iron plant and 95,040 TPA billet in the nine months ended December 31, 2020; (b) an iron pellet plant of 600,000 TPA, a sponge iron plant of 99,000 TPA, a billet plant of 168,960 TPA, a TMT plant of 106,992 TPA, a wire rod plant of 200,000 TPA and a captive power plant of 30 MW in Fiscal 2020; and (c) a ferro alloy plant of 14,000 TPA in Fiscal 2019. For further information in relation to our capacity expansions, see "*History and Certain Corporate Matters - Major events and milestones of our Company*" on page 159. We intend to further increase our installed metal capacities (comprising of intermediate and final products from 5.71 MTPA, as of December 31, 2020, to 11.60 MTPA, by undertaking certain major expansion plans. In addition, we also propose to increase our captive power plants aggregate installed capacity from 227 MW, as of December 31, 2020, to 357 MW. These proposed expansions are expected to become operational between Fiscal 2022 and Fiscal 2025. For further information, see "*Our Business — Our Strategies – Expansion of our capacities*" on page 136. These expansion projects, to the extent that they proceed, would involve risks, including risks associated with the timely completion of these projects, and our failure to adequately manage these risks notwithstanding our upgraded operational and financial systems, procedures and controls could have a material adverse effect on our business, financial condition, results of operations and prospects. Factors that could affect our ability to complete these projects on time or at all, include completing the project / civil construction, receiving financing as per the proposed expansion plan, financing terms not being reasonable, receiving the machineries of desired quality and on scheduled time, obtaining or renewing required regulatory approvals and licenses, a decline in demand for our products and general economic conditions.

Further, our expansion plans include the proposal to establish new ductile pipe plant, blast furnace and aluminum foil rolling mill. We have limited experience in manufacturing and sale of pig iron, ductile pipes and aluminum foil there can be no assurance that we will be successful in operating and integrating the blast furnace, ductile pipe plant or aluminum foil rolling mill with our existing operations and be able to generate returns. If we are unable to establish ourselves or achieve profitability in the pig iron, aluminum foil and ductile pipe business, our business condition, results of operations and cash flows may be adversely affected.

Our expansion plans and business growth could strain our managerial, operational and financial resources. Our ability to manage future growth will depend on our ability to continue to implement and improve operational, financial and management information systems on a timely basis and to attract, expand, train, motivate, retain and manage our workforce. We cannot assure you that our personnel, systems, procedures and controls will be adequate to support our future growth. Failure to effectively manage our expansion may lead to increased costs and reduced profitability and may adversely affect our growth prospects. Any of these factors may cause us to delay, modify or forego some or all aspects of our expansion plans. Further, there can be no assurance that we will be able to execute our strategies on time and within the budget estimated by the Company. In addition, our expansion plans have not been appraised by any independent or third party agency, and accordingly, in the absence of such independent appraisal, our expansion plans may be subject to change based on various factors which are beyond our control.

8. Our business operations are being conducted on owned and leased premises. Our inability to seek renewal or extension of such leases may materially affect our business operations. Further, any failure or delay in the acquisition of land or an inability to acquire land at acceptable costs or on commercially reasonable terms may adversely affect our business, results of operations and financial condition.

Our business operations, including manufacturing plants, are being conducted on premises which are partly owned by us or leased from third parties, and maybe encumbered, and we may continue to enter into such transactions in future. In particular, certain portions of land on which our Jamuria manufacturing plant is located is owned by a Promoter Group entity and there is no formal relationship/arrangement for use of this land. We also have liaison offices at New Delhi, Bhubaneshwar and Bhadrak which we have taken on a leasehold basis, and for which the leases have expired and not been renewed as of the date of this Draft Red Herring Prospectus. Some of these agreements are inadequately stamped. We cannot assure you that we will continue to be able to renew the lease at favourable terms or at all. Given that some of our business operations are conducted on premises leased from third parties, any adverse impact on, or deficiency in, the title, ownership rights or development rights of the owners from whose premises we operate, breach of the contractual terms of any lease or leave and license agreements, or any inability to renew such agreements on acceptable terms or at all may materially affect our business operations.

Further, we may require additional amount of land for the purposes of operating our manufacturing plants and future expansion plans. However, we cannot assure you that we will be able to identify or acquire adequate land either on a freehold or leasehold basis, or that land acquisitions will be completed in a timely manner, at acceptable costs and/or on commercially reasonable terms, without opposition, or at all. The cost of acquiring land on a freehold or leasehold basis for our manufacturing plants may be higher than we estimated and is subject to a number of factors, including the type of land being acquired, market prices, the level of economic development in the area where the land is located and government regulations pertaining to the price of land, among others. In addition, we may face significant opposition to the construction of our manufacturing plants from local communities, tribes, non-government organizations and other parties. Such opposition or circumstances may be beyond our control. If we are unable to acquire the required amount of land for our manufacturing plants, the viability and efficiency of such projects may be affected. In addition, any inability to complete the acquisition of the necessary land in a timely manner may cause construction delays. The occurrence of any such event could have an adverse effect on our business, results of operations, financial condition, cash flows and future business prospects.

9. Our manufacturing plants and sources of our raw materials are primarily concentrated in eastern India and any adverse developments affecting this region could have an adverse effect on our business, results of operations and financial condition.

As of the date of this Draft Red Herring Prospectus, we own and operate three manufacturing plants located in the states of West Bengal and Odisha and we procure our raw materials such as iron ore, iron ore fines, coal, pig iron, manganese ore, chrome ore and coke from these states. We are also in the process of commissioning an aluminium foil rolling mill at Pakuria in West Bengal. Further, a portion of our revenue from sale of manufactured products is also derived from the eastern region of India. In Fiscals 2018, 2019 and 2020, and the nine months ended December 31, 2020, revenue from sale of manufactured products from the eastern region of India accounted for 29.12%, 49.75%, 35.04% and 34.47%, respectively, of our total revenue from sale of manufactured products. Any materially adverse social, political or economic development, natural calamities, civil disruptions, or changes in the policies of the central or state government or local governments in the eastern region of India could adversely affect, amongst others, manufacturing operations and transport operations, and require a modification of our business strategy, or require us to incur significant capital expenditure or suspend our operations. Any such adverse development affecting continuing operations at our manufacturing plans could result in significant loss due to an inability to meet customer contracts and production schedules, which could materially affect our business reputation within the industry. The occurrence of, or our inability to effectively respond to, any such events or effectively manage the competition in the region, could have an adverse effect on our business, results of operations, financial condition, cash flows and future business prospects.

10. Our inability to expand or effectively manage our distributors or any disruptions in our distribution network may have an adverse effect on our business, results of operations and financial condition.

We rely largely on our distributors to sell certain final products such as TMT bars, structural products, wire rods and pipes to our end consumers. As of December 31, 2020, we had partnerships with 42 distributors, who stock and sell our finished products across 13 states and one union territory. We sell our intermediate products through brokers. We have not entered into any definitive agreements with such brokers for the sale of intermediate products. Our ability to expand and grow our product reach significantly depends on the reach and effective management of our distribution network. We cannot assure you that we will be able to successfully identify or appoint new distributors, maintain relationship with our brokers or effectively manage our existing distribution network. Any one of the following events could cause fluctuations or declines in our revenue and could have an adverse effect on our financial condition, cash flows and results of operations:

- failure to renew agreements with distributors;
- failure to maintain relationships with our existing distributors or brokers;
- failure to establish relationships with new distributors or brokers on favorable terms;
- inability to timely identify and appoint additional or replacement distributors upon the loss of one or more of our distributors or brokers;
- reduction, delay or cancellation of orders from one or more of our distributors or brokers;
- disruption in delivering of our products by distributors; and
- inability to collect full or partial payments from distributors.

We may not be able to compete successfully against larger and better-funded distribution networks of some of our current or future competitors, especially if these competitors provide their distributors or brokers with more favorable arrangements. If the terms offered to such distributors, brokers or agents by our competitors are more favourable than those offered by us, our distributors, brokers or agents may decline to distribute/ sell our products or push competitors' products and terminate their arrangements with us. Additionally, our distributors and brokers are not exclusive to us and also stock and sell products of multiple manufacturers, who could be our competitors. We cannot assure you that we will not lose any of our distributors or brokers to our competitors, which could cause us to lose some or all of our favorable arrangements with such distributors or brokers and may result in the termination of our relationships with other distributors or brokers.

Alternately, if our distributors or brokers are not able to maintain a strong network of distribution or effectively distribute/ sell our products, our products may not attain as much reach as our competitors in the market and we may lose market share which may have a material adverse effect on our results of operations.

11. Our Chairman and individual Promoter, Mahabir Prasad Agarwal, Vice Chairman and Managing Director and individual Promoter, Brij Bhushan Agarwal, Joint Managing Director and individual Promoter, Sanjay Kumar Agarwal, whole-time Directors, Bhagwan Shaw and Dev Kumar Tiwari, are party to certain criminal proceedings.

Our Chairman and individual Promoter, Mahabir Prasad Agarwal, Vice Chairman and Managing Director and individual Promoter, Brij Bhushan Agarwal, Joint Managing Director and our individual Promoter, Sanjay Kumar Agarwal, whole-time Directors, Bhagwan Shaw and Dev Kumar Tiwari, are party to certain criminal proceedings. Further, our whole-time Director, Bhagwan Shaw, has been granted bail in all the matters pending against him. For further information, see "*Outstanding Litigation and Other Material Developments*" on page 321. Any conviction, penalties or other action against our Chairman and individual Promoter, Vice Chairman and Managing Director and individual Promoter, Joint Managing Director and individual Promoter, whole-time Directors or Independent Director for the offences alleged by the complainants may potentially cause negative publicity thereby affecting our reputation, business, prospects, and financial condition.

12. Developments in the competitive environment in the steel industry, such as consolidation among our competitors, could have a material adverse effect on our competitive position and hence our business, financial condition, results of operations or prospects.

We believe that the key competitive factors affecting our business include product quality, capacity creation and utilization, changes in manufacturing technology, workforce skill and productivity, operating costs, pricing power with large buyers, access to funding, the degree of regulation and access to a regular supply of raw materials. We cannot assure prospective investors that we will be able to compete effectively against our current or emerging competitors with respect to each of these key competitive factors. In the past, there have been instances of consolidation among our competitors. Competition from global steel producers with expanded production capacities and new market entrants could result in significant price competition, declining margins and a reduction in revenue. For example, these companies may be able to negotiate preferential prices for certain products or receive discounted prices for bulk purchases of certain raw materials that may not be available to us. Further, changes in India's debt restructuring and insolvency laws, including the Insolvency and Bankruptcy Code, 2016, has lead to consolidation among our competitors. In addition, our competitors may have lower leverage and/ or access to cheaper sources of funding. 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, investing more aggressively in product development and capacity and displacing demand for our export products. 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 and our business, results of operations, financial condition and prospects could be materially and adversely affected. In addition, a variety of known and unknown events could have a material adverse impact on our ability to compete.

13. We are required to pay liquidated damages to some of our suppliers of coal and chrome ore in the event we do not lift a specified percentage of the annual contracted capacity.

Our manufacturing plants primarily acquire coal from Mahanadi Coalfields Limited, Central Coalfields Limited and South Eastern Coalfields Limited pursuant to various fuel supply agreements. Under the fuel supply agreements, we are obligated to offtake between 75% of the annual contracted capacity failing which we are required to pay compensation or liquidated damages to Mahanadi Coalfields Limited, Central Coalfields Limited and South Eastern Coalfields Limited (as the case maybe). Further, we are obligated to offtake atleast 90% of the annual contracted capacity of the chrome ore from Odisha Mining Corporation Limited, failing which we are required to pay damages equivalent to 5% of the entire sale value of the allotted quantity. We have, in the past, faced instances where we were required to pay liquidated damages for non-compliances with such obligations. In Fiscals 2018, 2019, 2020, liquidated damages aggregating to ₹ 5.46 million, ₹ 0.08 million and ₹ 0.90 million, respectively, have been levied on us. Any payment of liquidated damages may have an effect on our business, results of operations and financial condition.

14. We are subject to certain restrictive covenants in our financing arrangements which may limit operational and financial flexibility, and failure to comply with these covenants may have a material adverse effect on our future results of operations and financial condition.

Our Company and SSPL, our Subsidiary, have availed term loans and working capital facilities in the ordinary course of business, for the purpose of capital expenditure, purchase raw materials, packing material, stores, spares and services required for day-to-day operations. As of December 31, 2020, our total fund and non-fund based outstanding indebtedness amounted to ₹ 11,563.99 million. Certain of our financing arrangements include covenants to maintain certain debt to equity ratios, debt coverage ratios and certain other liquidity and profitability ratios. For further information, see "*Financial Indebtedness*" on page 318. There can be no assurance that maintaining, or adhering to, such covenants will not hinder business development and growth. In the event that we breach any covenants under our financing arrangements or requisite consents/waivers cannot be obtained, the outstanding amounts due under such financing agreements could become due and payable immediately. A default under one of these financing agreements may also result in cross-defaults under other financing agreements and result in the outstanding amounts under such financing agreements becoming due and payable immediately. Defaults under one or more of our financing agreements could have a material adverse effect on our business, results of operations, financial condition and prospects.

Some of our financing agreements and debt arrangements set limits on or require us to obtain lender consents before, among other things, undertaking certain projects, issuing new securities, availing additional funding, changing our business, merging, consolidating, selling significant assets or making certain acquisitions or investments. In addition, certain covenants may limit our ability to raise incremental debt or to provide collateral. For further information, see "*Financial Indebtedness*" on page 318. While we have in the past been able to obtain required lender consents for undertaking such activities, there can be no assurance that we will be able to obtain such consents in the future in a timely manner or at all. We have applied to the relevant lenders, for consent to undertake the Offer. As on date of this Draft Red Herring Prospectus, we have not yet received consent from one lender to whom we have applied for consent to undertake the Offer. In the event that such consents or waivers are not granted to us in a timely manner or at all, and if we fail to repay or pre-pay any such loans from lenders from which we have been unable to obtain required consents by such time, we would be in breach of relevant financing covenants, in the event we undertake the Offer. If our financial or growth plans require such consents, and such consents are not obtained or other condition or covenant under our financing agreements is not waived by the lender, we may be forced to forgo or alter our plans, which could adversely affect our results of operations, financial condition and prospects.

For instance, we propose to utilise the Net Proceeds from the Offer for repayment/ pre-payment, in full or part, of certain borrowings availed by our Company and SSPL, our Subsidiary, and other general corporate purposes. Our Company and SSPL may be subject to certain prepayment penalty or pre-payment charges. For further information of the proposed objects of the Offer, see "*Objects of the Offer*" on page 79.

15. Our business is substantially affected by prevailing economic, political and other prevailing conditions in India and globally.

Our Company and Subsidiaries are incorporated in India, and our manufacturing operations are located in India. Further, we have a customer base in India and globally. Our business and results of operations have been and continue to be affected by international, national and regional economic conditions. Unfavourable economic conditions in India or any of our key markets could have a material adverse effect on our business, results of operations, financial condition and prospects. As a result, we are highly dependent on prevailing economic conditions in India and the other key markets and our results of operations and cash flows are significantly affected by factors influencing the economy in these countries. Factors that may adversely affect the economy in such countries, and hence our results of operations and cash flows, may include:

- any adverse change in the growth rate of the global economy;
- any increase in interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing, resulting in an adverse impact on economic conditions and scarcity of financing for our expansions;
- prevailing income conditions among consumers and corporates;
- volatility in, and actual or perceived trends in trading activity on, the relevant market's principal stock exchanges;
- changes in tax, trade, fiscal or monetary policies, including import restrictions;
- political instability, terrorism or military conflict in the region or globally, including in various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in the relevant country's principal export markets;
- any downgrading of debt rating by a domestic or international rating agency;
- instability in financial markets; and
- other significant regulatory or economic developments in or affecting the relevant country.

In particular, rates of economic growth have significant impacts on our consumers of steel and intermediate products, such as the automotive, infrastructure and the construction industries and declines in steel consumption caused by poor or unfavorable economic conditions in one or more of our major markets or by the deterioration of the financial condition of our key customers would have a material adverse effect on demand for our products and hence on our business and results of operations.

16. Two of our Group Companies, SFAL and SPSPL, are engaged primarily in manufacturing of ferro alloy products and the metal manufacturing segment, respectively, lines of business similar to that of ours. Any conflict of interest which may occur between the business of such Group Companies and us could adversely affect our business, prospects, results of operations and financial condition.

SFAL and SPSPL, two of our Group Companies, are engaged primarily in the business of manufacture of ferro alloy and steel products and in the metal manufacturing segment , respectively, lines of business similar to that of ours. Currently, SFAL and SPSPL have not entered into any non-compete agreement with us. We will endeavour to take adequate steps to address any conflict of interest by adopting the necessary procedures and practices as permitted by applicable law, to address any conflict which may arise in the future. We cannot assure you that our Promoters will not favour the interests of SFAL and / or SPSPL over our interests or that we will be able to suitably resolve any such conflict without an adverse effect on our business or operations.

17. If we do not continue to invest in new technologies and equipment, our technologies and equipment may become obsolete and 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 low cost of operations, including our ability to process and supply sufficient quantities of our products as per the agreed specifications. 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.

18. We do not have long-term agreements with our customers which would have a material adverse effect on our business, results of operations and financial condition.

Our product offerings cater to a mix of customers that consist of institutional customers and end-use consumers through our distribution network. Though we have had repeat orders from customers and have developed relationships with certain customers, we do not typically enter into long-term contracts with our customers. In the absence of long-term contracts, there can be no assurance that our existing customers will continue to purchase our products that may have a material adverse effect on our business, results of operations and financial condition. We are also exposed to risks of lower sales volume or lower price realization on such volumes depending on prevailing market conditions, as a result of such short-term arrangements. Our relationship with our customers are therefore dependent to a large extent on our ability to regularly meet customer requirements, including price competitiveness, efficient and timely product deliveries, and consistent product quality. In the event we are unable to meet such requirements in the future, it may result in decrease in orders or cessation of business from affected customers and agents. Further, the deterioration of the financial condition or business prospects of these customers could reduce their requirement for our products and could result in a significant decline in the revenues we derive from such customers.

19. Our Company has applied for registration of the trademark in relation to our name and corporate logo. Until such registrations are granted, we may not be able to prevent unauthorised use of such trademarks by third parties, which may lead to the dilution of our goodwill and adversely affect our business. An inability to protect, strengthen and enhance our existing brand for our products could adversely affect our business prospects and financial performance.

We have made various trademark registrations applications for, amongst others, our corporate logo, , and the "*SMEL*" wordmark, under various classes, with the Registrar of Trademarks in India under the Trade Marks Act, 1999. There can be no assurance that our trademark applications will be accepted and the trademarks will be registered. Pending the registration of these trademarks, we may have a lesser recourse to initiate legal proceedings to protect our private labels. However, we may have to incur additional cost in relation to this. In the event we are not able to obtain registrations due to opposition by third parties or if any injunctive or other adverse order is issued against us in respect of any of our trademarks for which we have applied for registration, we may not be able to avail the legal protection or prevent unauthorised use of such trademarks by third parties, which may adversely affect our goodwill and business. We are also currently subject to a litigation in connection with the usage of the trade mark/ trade name "*Shyam*" pursuant to which Shyam Steel Industries Limited has sought an injunction restraining us from using their registered trade mark "*Shyam*". This matter is currently pending before the Supreme Court of India. For details, please see "*Outstanding Litigation and other Material Developments – Litigation against our Company – Outstanding material civil litigations*" on page 323. We may be subject to such similar litigations in the future as well, the outcome of which may have a material adverse effect on our business and operations.

Further, our TMT and structural products are sold under the brand '*SEL*' and logo . Accordingly, our business reputation and brand under which we sell our products, are critical to the success of our business. While we have been making consistent efforts to strengthen our brand, various factors, some of which are beyond our control, are critical for maintaining and enhancing our brand, and if not managed properly, may negatively affect our brand and reputation. These include our ability to effectively manage the quality of our products; increase brand awareness among existing and potential customers, dealers and distributors; adapt our advertising and promotion efforts to emerging industry standards; and protect the intellectual property related to our brand. Further, there can be no assurance that our advertising or marketing efforts will be successful in maintaining our brand and its perception with dealers and/ or result in increased sales in the future. Our inability to adapt to evolving marketing trends at the same pace as our competitors may adversely affect our ability to effectively compete in terms of our brand equity. In addition, our reputation and brands could also be affected by socially motivated groups, which could lead to a decline in our sales volume.

20. If we are unable to establish and maintain an effective system of internal controls and compliances our business and reputation could be adversely affected.

We manage regulatory compliance by monitoring and evaluating our internal controls, and ensuring that we are in compliances with all relevant statutory and regulatory requirements. There can be no assurance that deficiencies in our internal controls will not arise in future, or that we will be able to implement, or continue to maintain, adequate measures to rectify or mitigate any deficiencies in our internal control. Any inability on our part to adequately detect, rectify any deficiencies in our internal controls may adversely impact our ability to accurately report, or successfully manage, our financial risks and to avoid frauds. For instance, we had made inadvertent mistakes in certain return of allotments filed with the RoC for allotment of shares of our Company, and there have been delays in filing forms for certain of our allotments. As we continue to grow, there can be no assurance that there will be no other instances of such inadvertent non-compliances with statutory requirements, which may subject us to regulatory action, including monetary penalties, which may adversely affect our business and reputation. For example, in 2004, our Subsidiary, SSPL made an allotment of 766,000 equity shares of face value of Rs. 10 each to 61 allottees, in violation of Section 67(3) of the Companies Act, 1956. Thereafter in 2018, SSPL offered an exit opportunity to our Company as its then existing shareholder as per applicable law. Upon completion of the exit offer process, and filing of required forms with the RoC, SSPL filed a compounding application with the National Company Law Tribunal, Kolkata Bench on November 28, 2018 under Section 621A of the Companies Act, 1956 and Section 441 of the Companies Act, 2013, for compounding of the said violation of Section 67(3) of the Companies Act, 1956. The application is still pending before NCLT and we cannot assure you that SSPL will not be subject to any penalty or be subject to any other liability under the Companies Act.

21. Product liability claims could adversely affect our operations.

We sell our long steel products (intermediate products) and ferro alloys to major manufacturers who are engaged to sell a wide range of end products. If the quality of our long steel products (intermediate products) and ferro alloys do not meet the specifications of the order or the requirements of the application, there may be significant disruptions to the customer's production lines. There could be, as a result of such quality failure, significant consequential damages resulting from the use of such products. We do not currently carry any product liability insurance coverage, and a major claim for damages related to products sold could leave us uninsured against a portion or the entire award and, as a result, materially harm our business, financial condition and results of operations. For instance, our Subsidiary, SSPL, received a notice from the Bureau of Indian Standards ("**BIS**") dated January 25, 2013 seizing certain articles pursuant to a search and seizure conducted at the premises of SSPL for allegedly misusing a BIS mark on a different item from the item it was authorised for. Another notice dated January 30, 2013 was received from the BIS *inter alia* stating that due to misuse of an ISI mark, it was decided to put the BIS license under "stop marking" with immediate effect, and hence preventing SSPL from marking or dispatching any product with the said ISI mark, and calling upon SSPL to deposit ₹ 3,371 towards special inspection charges (collectively, "**Notices**"). By letter dated February 26, 2013, SSPL has responded to the notice dated January 30, 2013 *inter alia* submitting the relevant documents and confirming compliance with the conditions mentioned in the Notices. Subsequently, a criminal complaint has been filed by the Bureau of Indian Standards ("**Complainant**") against our Subsidiary, SSPL, before the Court of the Chief Judicial Magistrate at Burdwan, under Section 33(1) of the Bureau of Indian Standards Act, for violation of Section 11(1) of the Bureau of Indian Standards Act on the grounds that SSPL had manufactured certain items without mandatory certification. For further information, see "*Outstanding Litigation and Other Material Developments*" on page 321.

22. Our efforts to ensure high capacity utilization in our plants may result in oversupply of our products which may adversely affect our profitability

Our competitiveness and long-term profitability are, to a significant degree, dependent upon our ability to optimize capacity utilization and maintain low-cost and efficient production relative to competitors. Due to the high fixed costs related to steel production, steel producers generally attempt to maintain high capacity utilization rates in order to maintain their profitability. However, any excess capacity often results in manufacturers selling significant amounts of steel and steel products at prices that are at or below their costs of production. In addition, oversupply may result in decreased steel prices as well as lower utilization rate. Further, during periods of declining demand, this may result in a significant oversupply of steel and a corresponding decline in steel prices. This may be further exacerbated by reduced levels of GDP growth and government policies in major economies, including China and the United States. Continued low utilization rates would also affect our fixed costs, which cannot be fully reduced in line with production, leading to a higher per unit cost. A decrease in our utilization rate could have a material adverse effect on our business, financial condition and results of operations.

23. We face substantial competition, both from Indian and international steel producers, which may affect our prospects.

The Indian steel industry is highly competitive. Our primary competitors include Jindal Steel and Power Limited, Tata Steel Limited, Steel Authority of India Limited, JSW Steel Limited, Kalyani Steel Limited and Prakash Industries (*Source: CRISIL Report*). As a manufacturer of long steel products and ferro alloy products, we compete to varying degrees with other Indian steel and ferro alloy manufacturers.

Competing domestic steel and ferro alloy producers have increased their manufacturing capacity and we expect domestic competition to further intensify with the ramping up of new manufacturing plants 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 plants, specialization in production of value-added or niche products, stronger distribution network and greater presence in certain markets. Maintaining or increasing our market share will depend on effective marketing initiatives and our ability to anticipate and respond to various competitive factors affecting the industry, including our ability to improve our manufacturing process and techniques, introduce new products, respond to pricing strategies of our competitors, and adapt to changes in technology and changes in customer preferences. Failure by us to compete effectively could have a material adverse effect on our business, financial condition and results of operations.

We also expect increasing competition from international steel and ferro alloy producers due to the increasing consolidation in the steel industry worldwide. A number of our international competitors may have greater financial and other resources and some have announced plans to establish manufacturing operations in India. We may also face competition from new companies that are emerging which may attempt to obtain a share in our existing markets. These factors, among others, have intensified the competition from global steel and ferro alloy players 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 may not have an adverse effect on our business, financial condition and results of operations.

24. 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.

25. We face numerous protective trade restrictions, including anti-dumping laws, countervailing duties and tariffs, which could adversely affect our revenue from exports.

Protectionist measures, including anti-dumping laws, countervailing duties and tariffs and government subsidization adopted or currently contemplated by governments in some of our export markets could adversely affect our sales from exports. Antidumping duty proceedings or any resulting penalties or any other form of import restrictions may limit our access to export markets for our products, and in the future additional markets could be closed to us as a result of similar proceedings, thereby adversely impacting our sales from exports or limiting our opportunities for growth.

Tariffs are often driven by local political pressure in a particular country and therefore there can be no assurance that quotas or tariffs will not be imposed on us in the future. In the event that such protective trade restrictions are imposed on us, our exports could decline. Further, a decrease in exports from India or an increase in steel imports to India as a result of protective trade restrictions could have a negative impact on our business, financial condition and results of operations.

26. Failure to comply with environmental laws and regulations by us could lead to unforeseen environmental litigation which could impact our business and our future net earnings.

We are subject to various national, state, municipal and local laws and regulations concerning environmental protection in India, including laws addressing the discharge of pollutants into the air and water, the management and disposal of any hazardous substances, and wastes and the clean-up of contaminated sites. 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. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment, and emissions management. Further, any violation of the environmental laws and regulations may result in fines, criminal sanctions, revocation of operating permits, or shutdown of our manufacturing plants. Further, we are subject to a litigation in connection with compliance with safety standards and the rules and regulations relating to the health of employees. For details, please see "*Outstanding Litigation and other Material Developments – Litigation against our Company – Outstanding material civil litigations*" on page 323. We may be subject to such similar litigations in the future as well, the outcome of which may have a material adverse effect on our business and operations.

Additionally, during the course of our business operations, we have in the past received certain notices and intimations from concerned state pollution control boards. These notices and intimations require us to *inter alia* observe compliance with orders or directions of the authority, submit documents and reports stated therein, submit bank guarantees and also direct temporary closure of certain units of our manufacturing plants. These orders and directions are either industry general or relate specifically to us. As on date of this Draft Red Herring Prospectus, our Company has responded to all such notices stating compliance with the aforementioned directions and have not received any replies from the concerned authorities commencing regulatory action in relation to such notices, except as disclosed in this Draft Red Herring Prospectus. For information regarding regulatory action commenced against our Company, please see "*Outstanding Litigation and other Material Developments – Actions initiated by regulatory and statutory authorities*" on page 321. We cannot assure you that no action will be taken by such authorities against us in the future.

As a consequence of unanticipated regulatory or other developments, future environmental and regulatory related expenditures may vary substantially from those currently anticipated. We cannot assure you that our costs of complying with current and future environmental laws and other regulations will not adversely affect our business, results of operations or financial condition. In addition, we could incur substantial costs, our products could be restricted from entering certain markets, and we could face other sanctions, if we were to violate or become liable under environmental laws or if our products become non-compliant with applicable regulations. Our potential exposure includes fines and civil or criminal sanctions, third-party property damage or personal injury claims and clean-up costs. The amount and timing of costs under environmental laws are difficult to predict. For further information, see "*Key Regulations and Policies in India*" on page 151.

27. Our inability to collect receivables and default in payment from our dealers and distributors could result in reduced profits and affect our cash flows.

In our sales through dealers in India, we strive to operate on immediate payment terms, and at times with partial or no advance payment terms, but there is no guarantee that our dealers will not default on their payments. We extend credit periods to our dealers and we cannot guarantee that our dealers will not default on their payments which might adversely affect our profits margins and cash flows. An inability to collect receivables from our dealers in a timely manner or at all, could adversely affect our working capital cycle, and cash flow. In Fiscals 2018, 2019 and 2020 and in the nine months ended December 31, 2020, our trade receivables were ₹ 3,687.15 million, ₹ 2,129.06 million, ₹ 2,590.18 million and ₹ 2,436.86 million, respectively.

Macroeconomic conditions could also result in financial difficulties, including insolvency or bankruptcy, for our customers, and as a result could cause customers/ distributors to delay payments to us, request modifications to their payment arrangements, that could increase our receivables or affect our working capital requirements. We are currently involved in various litigations in connections with the aforesaid. For details, please see "*Outstanding Litigation and other Material Developments – Litigation by our Company – Outstanding criminal proceedings*" and "*Outstanding Litigation and other Material Developments – Litigation by our Company – Outstanding material civil litigations*" on pages 323 and 324. Any such increase in our receivable turnover days will negatively affect our business.

28. A reduction in import duties on steel products in India may lead to increased competition from foreign companies, reduce our market share and reduce margins on our products.

The Union Budget 2021-22 has provided various proposals, including the reduction of import duty on finished and semi-finished products to 7.5% from approximately 10% to 12.5% (*Source: CRISIL Report*). The import duty, along with lower freight costs and, in some countries, higher labour costs, have allowed domestic manufacturers to enjoy a significant price advantage over imported steel products in the domestic Indian market. However, any policy change by the Government, resulting in a reduction in import duties may assert downward pressure on our margins and prices.

Reductions in import duties and lower priced imports from countries that benefit from bilateral or multilateral trade agreements with India may have an adverse effect on our business, financial condition and results of operations.

29. We derive a portion of our revenues from exports to a limited number of markets and any adverse developments in these markets or inability to enter into new markets could adversely affect our business.

In Fiscals 2018, 2019 and 2020, and the nine months ended December 31, 2019 and December 31, 2020, revenue generated from exports accounted for 18.19%, 17.34%, 9.65%, 9.69% and 11.19%, respectively, of our revenue from operations in such periods. We have derived a portion of such revenues from exports to limited number of markets, amongst others, Nepal, Bhutan, Bangladesh, China, Japan and Dubai. Our revenues from these markets may decline as a result of increased competition, regulatory action, pricing pressures, fluctuations in the demand for or supply of our products or services, or the outbreak of an infectious disease, such as the COVID-19 pandemic. Our failure to effectively react to these situations or to successfully introduce new products or services in these markets or enter into new markets could adversely affect our business, prospects, results of operations and financial condition.

30. Competition from other materials or changes in the products or manufacturing processes of customers that use our steel products, could reduce market prices and demand for steel products and thereby reduce our cash flow and profitability.

In many applications, steel competes with other materials that may be used as substitutes, such as aluminum (particularly in the automobile industry), cement, composites, glass, plastic and wood. Government regulatory initiatives mandating or creating incentives for the use of such materials in lieu of steel, whether for environmental or other reasons, as well as the development of other new substitutes for steel products, could significantly reduce market prices and demand for steel products and thereby reduce our cash flow and profitability.

In addition, the steel market is characterized by evolving technology standards that require improved quality, changing customer specifications and wide fluctuations in product supply and demand. The products or manufacturing processes of the customers that use our steel products may change from time to time due to improved technologies or product enhancements. These changes may require us to develop new products and enhancements for our existing products to keep pace with evolving industry standards and changing customer requirements. If we cannot keep pace with market changes and produce steel products that meet our customers' specifications and quality standards in a timely and cost-effective manner, our business, results of operations, financial condition and prospects could be materially adversely affected.

31. Insurance coverage obtained by us may not adequately protect us against unforeseen losses.

We maintain insurance coverage in accordance with industry standards that we believe is adequate for our operations. Our insurance policies, however, may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. We have obtained standard fire and special perils policies for our Sambalpur and Jamuria manufacturing plants, while our Mangalpur plant is covered under an industrial all risk policy which provides for various covers including fire, machinery breakdowns, business interruptions, earthquakes. For our Jamuria manufacturing plant, we have obtained a machinery breakdown insurance policy. We have also obtained marine cargo open policies for our raw materials, finished products, and rotary kiln and cooler along with accessories. Further, we have obtained a fidelity guarantee policy and money insurance for carrying of cash and money in transit. There can however be no assurance that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. A successful enforcement of one or more claims against us that exceeds our available insurance coverage or changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, financial condition, cash flows and results of operations. Further, the total insurance coverage amount of our Company and our Subsidiary, SSPL, was ₹ 27,830.22 million, as of December 31, 2020 and the percentage of coverage of insurance vis-à-vis the total assets of our Company calculated as the sum of written down value of property, plant and equipment and inventories was 100.47%, as of December 31, 2020.

32. There are outstanding legal proceedings against our Company, Subsidiaries, Group Companies, Directors and Promoters which may adversely affect our business, financial condition and results of operations.

There are outstanding legal proceedings against our Company, Subsidiaries, Group Companies, Directors and Promoters. These proceedings are pending at different levels of adjudication before various courts, tribunals, enquiry officers and appellate tribunals. Such proceedings could divert management time and attention, and consume financial resources in their defence. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business, financial condition and results of operations.

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

Name of Entity	**Criminal proceedings**	**Tax proceedings**	**Statutory or regulatory proceedings**	**Material civil litigation**	**Aggregate amount involved (₹ in million)***
Company					
By the Company	6	Nil	Nil	4	530.86
Against the Company	Nil	27	7	2	963.27
Directors					
By the Directors	Nil	Nil	Nil	Nil	-
Against the Directors	17	Nil	Nil	Nil	-
Promoters					
By the Promoters	10	Nil	Nil	2	227.18
Against the Promoters (including the individuals Promoters)	1	9	Nil	Nil	40.30
Subsidiaries					
By the Subsidiaries	16	Nil	Nil	4	2,931.56
Against the Subsidiaries	1	50	1	Nil	3,040.07
Total	**51**	**86**	**8**	**12**	**7,733.24**

**To the extent quantifiable.*

For details in relation to the pending litigation involving our Group Companies that have a material impact on our Company, and for further details of the outstanding litigation proceedings involving the Company, Directors, Promoters and Subsidiaries, please see the section entitled "*Outstanding Litigation and Other Material Developments*" beginning on page 321.

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.

33. Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations could materially and adversely affect our business, prospects, results of operations and financial condition.

Our operations are subject to extensive government regulation and in respect of our existing operations we are required to obtain and maintain various statutory and regulatory permits, certificates and approvals including various environmental approvals, factories licenses, labour related and tax related approvals.

We have made applications for various material approvals including applications for renewal. For further details, see "*Government and Other Approvals*" on page 330. There can be no assurance that the relevant authorities will issue or rectify such permits or approvals in time or at all. We cannot assure you that such approval will be granted and this may result in delay of our expansions if such approval is not obtained. Failure or delay in obtaining or maintaining or renew the required permits or approvals within applicable time or at all may result in interruption of our operations. Further, the relevant authorities may initiate penal action against us, restrain our operations, impose fines/penalties or initiate legal proceedings for our inability to renew/obtain approvals in a timely manner or at all. Consequently, failure or delay to obtain such approvals could have a material adverse effect on our business, financial condition and profitability. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, or suffer disruption in our activities, any of which could adversely affect our business.

***34. A portion of the Net Proceeds may be utilized for repayment or pre-payment of loans taken from Axis Bank Limited, ICICI Bank Limited and State Bank of India, which are affiliates of some of the Book Running Lead Managers*.**

We propose to repay certain loans obtained from Axis Bank Limited ("**Axis Bank**"), ICICI Bank Limited ("**ICICI Bank**"), and State Bank of India ("**SBI**") from the Net Proceeds as disclosed in "*Objects of the Offer*" on page 79. Axis Bank, ICICI Bank and SBI are affiliates of Axis, I-Sec and SBICAP, our Book Running Lead Managers, respectively. However, they are not associates of our 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 and our Subsidiary, SSPL, by Axis Bank, ICICI Bank and SBI are a part of their 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 Offer*" on page 79.

35. We are dependent on a number of key personnel, including our senior management or people with technical expertise, and the loss of or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.

We are led by our individual Promoters, Mahabir Prasad Agarwal, Brij Bhushan Agarwal and Sanjay Kumar Agarwal, who have several decades, of experience in the steel and ferro alloys industry, and have been instrumental in the growth of our Company. We are dependent on our Directors, senior management and other key personnel with technical expertise for setting our strategic business direction and managing our business. Our Directors and senior management team have extensive experience in the steel industry in India. Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. Due to the current limited pool of skilled personnel, competition for senior management, commercial and finance professionals in our industry is intense. The loss of the services of our Directors, senior management or other key personnel or our inability to recruit or train a sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects. We believe that the attrition of our KMPs is not high in comparison to the industry in which we operate.

36. 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. In Fiscals 2018, 2019 and 2020, and in the nine months ended December 31, 2020, our top 10 customers represented 26.10%, 24.52%, 22.36% and 15.57%, respectively, of our total revenues from operations in such periods. While our largest customer represented 4.00%, 4.56%, 3.73% and 2.31%, respectively, of our total revenues from operations in Fiscals 2018, 2019 and 2020, and in the nine months ended December 31, 2020, respectively. 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.

Our reliance on a select group of customers may also constrain our ability to negotiate our arrangements, which may have an impact on our profit margins and financial performance. The deterioration of the financial condition or business prospects of these customers could reduce their requirement of our products and result in a significant decrease in the revenues we derive from these customers. 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.

37. We may be required to undertake additional financial risk in respect of our joint venture operations and may have limited ability to enforce our rights in such joint venture operations.

As on the date of this DRHP, we have no formal arrangement with EMCO Power Limited in relation to the formation of Kalinga Energy and Private Limited ("**KEPL**"), one of our joint ventures, which is authorised to carry out the business of generating electrical power by conventional, non-conventional methods including coal, gas lignite, oil, bio-mass, waste, thermal, solar, hydel, geo-hydel, wind and tidal waves. There can be no assurance that we will not face any issues in respect of the management of KEPL or that we will be able to enforce any rights in respect of our investment in KEPL in the event of any dispute. Further, we may be liable for any breach or inability of our partner to continue with the activities of KEPL, due to financial, legal or other difficulties, which in turn could result in us being required to bear increased and, at times, sole responsibility for the undertaking operations and therefore a greater share of the financial risk. In the event that a claim, arbitration award or judgment is awarded against the joint-venture or the consortium, we may be responsible to the client for the entire claim, irrespective of whether or not we are indemnified by our consortium partner.

38. Any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.

We propose to utilise the Net Proceeds for repayment/ pre-payment, in full or part, of certain borrowings availed by our Company and SSPL, our Subsidiary, and for general corporate purposes.

For further information of the proposed objects of the Offer, see "*Objects of the Offer*" on page 79. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Draft Red Herring Prospectus without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, 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 at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Fresh Issue, if any, or vary the terms of any contract referred to in the Draft Red Herring Prospectus, 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 re-deploying the unutilised portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

39. Restrictions on import of raw materials and an increase in shipment cost may adversely impact our business and results of operations.

In Fiscal 2020, we imported raw materials amounting to ₹ 2,403.52 million, which accounted for 11.17% of our total raw material purchases. We are also required to pay demurrage charges on import of raw materials and in Fiscals 2018, 2019, 2020, and the nine months ended December 31, 2020, such charges amounted to ₹ 9.58 million, ₹ 101.65 million, ₹ 43.25 million and ₹ 34.11 million, respectively. Any restrictions, either from the Central or state governments of India, or from countries which we import from, on such imports may adversely affect our business, prospects, financial condition and results of operations. There can be no assurance that such restrictions/ regulations would not be made more stringent which would consequently restrict our ability to import raw materials from other jurisdictions. Further, there can be no assurance that, under these circumstances, we will be successful in identifying alternate suppliers for raw materials or we will be able to source the raw materials at favourable terms in a timely manner. Any restriction on import of raw materials could have an adverse effect on our ability to deliver products to our customers, business and results of operations. Further, a significant portion of our expenses is due to freight carriage and transport and freight and forwarding expense and import freight charges. Any increase in import tariff will increase expenses which in turn may impact our business and results of operations.

40. We may not be able to derive the expected benefits of the deployment of the Net Proceeds, in a timely manner, or at all.

Our Company intends to use a certain portion of the Net Proceeds for the purposes of repayment/ prepayment in full or in part, of certain of the borrowings availed by our Company and SSPL, our Subsidiary and balance portion for General corporate purposes (provided however, that the amount for general corporate purposes shall not exceed 25% of the gross proceeds of the Fresh Issue).

The details in this regard have been disclosed in the section "*Objects of the Offer*" on page 79. While the utilisation of Net Proceeds for repayment / prepayment of the borrowings, in full or in part, would help us to reduce our cost of debt and enable the utilisation of our funds for further investment in business growth and expansion, these objects will not result in the creation of any tangible assets for our Company and SSPL, our Subsidiary. Further, while a certain portion of the Net Proceeds of the Offer would be utilized to repay/pre-pay any of the loans availed by SSPL, the proportion of deployment of the Net Proceeds into SSPL in equity and /or debt has not been finalized as on the date of this Draft Red Herring Prospectus.

41. Our funding requirements and proposed deployment of the Net Proceeds of the Offer have not been appraised by a bank or a financial institution and if there are any delays or cost overruns, our business, financial condition and results of operations may be adversely affected.

We intend to use the Net Proceeds for the purposes described in "*Objects of the Offer*" on page 79. The objects of the Offer have not been appraised by any bank or financial institution. Whilst a monitoring agency will be appointed for monitoring utilisation of the Net Proceeds, the proposed utilisation of Net Proceeds is based on current conditions, internal management estimates based on the terms of our current financing documents and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy, as discussed further below. Based on the competitive nature of our industry, we may have to revise our business plan and/ or management estimates from time to time and consequently our funding requirements may also change. Our internal management estimates may exceed fair market value or the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our project and capital expenditure and may have an adverse impact on our business, financial condition, results of operations and cash flows.

Further, pending utilization of Net Proceeds towards the Objects of the Offer, our Company will have to deposit the Net Proceeds temporarily in deposits with one or more scheduled commercial banks included in Second Schedule of Reserve Bank of India Act, 1934, in a manner as may be approved by our Board. Accordingly, prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of Net Proceeds.

42. Our Promoters own minority stakes in some of our Subsidiaries and their interest may conflict with interest of our Company.

Our Promoters hold minority stake of the equity shares in some of our Subsidiaries. We cannot assure you that the interest of our Promoters in our Subsidiaries will be similar to ours or that we will be able to suitably resolve any conflict of interest without an adverse effect on our business or operations. For further information in relation to the shareholding and directorship of our Promoters in our Subsidiaries, see "*Our Subsidiaries*" on page 166.

43. Our Subsidiary, Shyam SEL and Power Limited is the recipient of various subsidies and incentives for our Jamuria and Mangalpur manufacturing plants under the West Bengal Incentive Scheme, 2004. We cannot assure that we will continue to receive such subsidies and incentives in the future.

Our Subsidiary, Shyam SEL and Power Limited is the recipient of various subsidies and incentives for our Jamuria and Mangalpur manufacturing plants under the West Bengal Incentive Scheme, 2004 ("**Incentive Scheme**"). These subsidies and incentives include state capital investment subsidy, industrial promotion assistance, employment generation subsidy and waiver of electricity duty by the West Bengal Industrial Development Corporation Limited. These subsidies and incentives are for a defined time period and can be withdrawn by the WBIDC at any time. We cannot assure that we will continue to receive such subsidies and incentives in the future. Further, the Incentive Scheme was applicable from 2007 to 2017 and we are entitled to receive an amount of ₹ 336.73 million under the said scheme. However, as of December 31, 2020, we had received an amount of ₹ 2.25 million in relation to the Incentive Scheme. There can be no assurance regarding the time period in which we will receive the pending balance from the relevant authorities.

44. We may require additional equity or debt in the future in order to continue to grow our business, which may not be available on favorable terms or at all.

Our strategy to grow our business may require us to raise additional funds for our working capital or long term business plans. We cannot assure you that such funds will be available on favorable terms or at all. Additional debt financing may increase our financing costs. Our financing agreements may contain terms and conditions that may restrict our ability to operate and manage our business, such as terms and conditions that require us to maintain certain pre-set debt service coverage ratios and leverage ratios and require us to use our assets, including our cash balances, as collateral for our indebtedness. If we are unable to raise additional funds on favorable terms or at all as and when required, our business, financial condition, results of operations, cash flows and prospects could be adversely affected.

45. Technology failures could disrupt our operations and adversely affect our business operations and financial performance.

IT systems are critical to our ability to manage our operations. Our IT systems enable us to coordinate our operations, from planning, production scheduling and raw material ordering, invoicing, customer relationship management and decision support. If we do not allocate and effectively manage the resources necessary to build and sustain the proper IT infrastructure, we could be subject to transaction errors, processing inefficiencies, customer service disruptions and, in some instances, loss of customers. Our IT systems, and the systems of our third party IT service providers may also be vulnerable to a variety of interruptions due to events beyond our control, including, but not limited to, natural disasters, telecommunications failures, computer viruses, hackers and other security issues. IT interruptions and system failures could have a material and adverse effect on our ability to realise the anticipated improvements in productivity and efficiency.

A fault in or disruption to our information technology systems could cause disruption to our business. In addition, technological advances from time to time may result in our systems, methods or processing facilities becoming obsolete. Failure to keep up to date with such changes could result in our competitors having an advantage over us, which could impact negatively upon both our financial performance and our reputation. Any significant upgrade to or replacement of our systems could require considerable capital expenditure, which could affect our results of operations and financial condition.

46. 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.

We have availed the services of an independent third party research agency, CRISIL Limited, to prepare an industry report titled "Market Assessment and outlook across Steel Industry value chain" dated February 2021 for purposes of inclusion of such information in this Draft Red Herring Prospectus. This report is subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from this industry report. Although we believe that the data may be considered to be reliable, the accuracy, completeness and underlying assumptions are not guaranteed and dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, any of the BRLMs or any of our or their respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Red Herring Prospectus.

47. Certain original records are not available and accordingly, alternate documents and records have been relied upon in relation to certain disclosures made in the Draft Red Herring Prospectus.

We have relied on mark sheets as documents evidencing educational qualifications for some of our Directors, Sanjay Kumar Agarwal, Deepak Kumar Agarwal, Dev Kumar Tiwari, Ashok Kumar Jaiswal and Kishan Gopal Baldwa and our Senior Management Personnel, Biplob Chanda Barman and Sumit Chakraborty. Further, Mahabir Prasad Agarwal, our Chairman, is unable to trace documents in relation to his educational qualifications. We cannot assure you that the information relating to such Directors and Senior Management Personnel included in "*Our Management*" are true and accurate.

Further, we are unable to trace the share transfer forms which evidence the transfer of Equity Shares of our Company, which were in physical form, to and from our Promoters, and DP slips for transfers which were in dematerialized form, and have relied on a report issued by an independent practising company secretary who has issued a report to us on the basis of review of share transfer registers, demat statements, Board minutes and other documents. There can be no assurance that the title to such Equity Shares held by our Promoters may not be subject to challenge in the future. In addition, we have been unable to trace certain challans for forms filed with the RoC, for which we have relied upon records available on the RoC's website.

Additionally, original court records in relation to certain matters involving our Company and our Subsidiaries, are not currently available and accordingly, we have relied on certifications provided by advocates representing the relevant parties in such matters in relation to the summaries appearing in the section "*Outstanding Litigation and Other Material Developments*" on page 321.

48. Our operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.

As of December 31, 2020, we had a workforce of 11,457 personnel comprised 5,841 permanent employees and 5,616 contract employees for our operations. Although we have not experienced any work stoppages due to labour disputes or cessation of work in the recent past, we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Further, our employees are not unionised into any labour or workers' unions and have not experienced any major work stoppages due to labour disputes or cessation of work in the last three years. Any labour unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. These actions are improbable for us to forecast or control and any such event could adversely affect our business, results of operations and financial condition.

49. 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.

50. India has stringent labour legislations that protect the interests of workers, and if our employees unionize, we may be subject to industrial unrest, slowdowns and increased wage costs.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to state and local laws and regulations, governing our relationships with our employees, including those relating to minimum wage, bonus, gratuity, overtime, working conditions, recruitment and termination of employment, non-discrimination, work permits and employee benefits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and our business may be adversely affected. Further, if we are unable to negotiate with employees, it could result in work stoppages or increased operating costs as a result of higher than anticipated wages or benefits.

51. Currency exchange rate fluctuations may have an adverse effect on our results of operations and value of the Equity Shares.

Our financial information is presented in Indian Rupees. However, we generate a portion of our sales internationally through export and sales outside of India. We also import certain raw materials and capital goods for our operations. These imports and exports are denominated in foreign currencies, primarily in U.S. dollars. Although we follow our exposure to foreign currencies and selectively enter into hedging transactions in an attempt to reduce the risks of currency fluctuations, these activities are not always sufficient to protect us against incurring potential losses if currencies fluctuate significantly. Any such losses on account of foreign exchange fluctuations may adversely affect our results of operations.

Further, due to the time gap between the accounting of sales and actual payments, the foreign exchange rate at which the sale is recorded in the books of accounts may vary with the foreign exchange rate at which the payment is made, thereby benefiting or affecting us negatively, depending on the appreciation or depreciation of Indian Rupee. We may, therefore, be exposed to risks arising from exchange rate fluctuations, may not be able to pass on all losses on account of foreign currency fluctuations to our customers, and suffer losses on account of foreign currency fluctuations. There is no guarantee that we may be able to manage our foreign currency risk effectively or mitigate exchange exposures, at all times and our inability may harm our results of operations and cause our results to fluctuate and/or decline.

The exchange rate between the Indian Rupee and the USD, Euro and other foreign currencies has changed considerably in recent years and may fluctuate substantially in the future. Fluctuations in the exchange rate between the Indian Rupee and other currencies may affect the value of a non-resident investor's investment in the Equity Shares.

A non-resident investor may not be able to convert Rupee proceeds into USD, Euro or any other currency or the rate at which any such conversion may occur could fluctuate. In addition, our market valuation could be seriously harmed by the devaluation of the Rupee, if United States or other non-resident investors analyze our value based on the USD or Euro equivalent of our financial condition and results of operations. For historical exchange rate fluctuations, see "*Certain Conventions, Use of Financial Information and Market Data And Currency of Presentation*" on page 12.

52. Some of our Directors who are Promoters hold Equity Shares in our Company and Subsidiaries and are therefore interested in the Company's and Subsidiaries' performance in addition to their remuneration and reimbursement of expenses.

Certain of our Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company and Subsidiaries. We cannot assure you that our Directors will exercise their rights as shareholders to the benefit and best interest of our Company. For details on the interest of the Directors of our Company and Subsidiaries, other than reimbursement of expenses incurred or normal remuneration or benefits, see "*Our Management*" on page 174.

53. Information relating to our installed capacities and capacity utilization of our manufacturing plants 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 the installed manufacturing capacity, capacity utilization of our manufacturing plants 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 the installed manufacturing capacity and capacity utilization of our manufacturing plants. These assumptions and estimates relating to the installed 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 plants. Further, the assumptions and estimates taken specifically into account include the following: (1) sponge iron (direct reduced iron): capacity of each kiln in TPD X 330 days per year; (2) billet: capacity of each furnace in TPH X (24 hours per day/ heat cycle) X 330 days per year; 1 heat cycle = 3 hours; (3) ferro alloy products: furnace with 1 MVA capacity is equivalent to 1,555.56 TPA. The installed capacity of ferro alloy products may vary depending on the type of ferro alloy produced. Further, capacity utilization has been calculated on the basis of actual production during the relevant period divided by the aggregate installed capacity of relevant manufacturing plants as of at the end of the relevant period.

Actual production levels and future capacity utilization rates may vary significantly from the estimated production capacities of our manufacturing plants and historical capacity utilization rates. Actual utilization rates may differ significantly from the estimated installed capacities or historical estimated capacity utilization information of our manufacturing plants. Undue reliance should therefore not be placed on our installed capacity or historical estimated capacity utilization information for our existing manufacturing plants 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 131 and 285, respectively.

54. ***Our Promoters will continue to retain a majority shareholding in us after the Offer, which will allow them to exercise significant influence over us.***

After the completion of the Offer, our Promoters will hold approximately [●]% of our issued and paid-up equity share capital. Accordingly, our promoter 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.

55. ***A shortage or non-availability of essential utilities such as electricity and water could affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition.***

Our business operations are heavily dependent on continuous supply of electricity and water which are critical to our manufacturing operations. While our power requirements are met through our captive power plants and through power supply agreements with India Power Corporation Limited, Damodar Valley Corporation and WESCO, we cannot assure you that these will be sufficient and, or, that we will not face a shortage of electricity despite these arrangements. Further, while water is procured through a captive reservoir, river and municipal corporation, any shortage or non-availability of water or electricity could result in temporary shut-down of a part, or all, of our operations at the location experiencing such shortage. Such shut-downs could, particularly if they are for prolonged periods, have an adverse effect on our business, results of operations and financial condition.

56. ***Certain of our Group Companies have incurred losses in the past, which may have an adverse effect on our reputation and business.***

Certain of our Group Companies have incurred losses during Fiscals 2018, 2019 and 2020 as set out below:

Particulars	Profit/Loss in Fiscal		
	2020	2019	2018
	(₹ million)		
S.S. Natural Resources Private Limited	(2.89)	7.76	0.00
Kalinga Energy & Power Limited	(0.28)	(0.04)	(0.01)
Essel Plywood Private Limited	(21.47)	13.29	32.38
Improved Realtors Private Limited	(0.31)	(2.69)	(0.34)
Kolhan Complex Private Limited	(0.08)	0.41	9.55
Shyam Emco Infrastructure Limited	(0.01)	0.00	(0.01)
Swarnrekha Abasan Private Limited	(0.10)	0.55	12.74
Suhag Overseas Trading Private Limited	(0.25)	(0.33)	(3.96)
Platinum Minmet Private Limited	(0.01)	0.03	0.57
Shyam Ores (Jharkhand) Private Limited	(24.79)	-	-
Subhlabh Commercials Private Limited	(0.04)	1.02	29.30

There can be no assurance that our Group Companies will not incur losses in the future which may have an adverse effect on our reputation and business.

57. Any negative cash flows in the future would adversely affect our cash flow requirements, which may adversely affect our ability to operate our business and implement our growth plans, thereby affecting our financial condition.

The following table sets forth certain information relating to our cash flows on a consolidated basis for the periods indicated. We may in the future experience negative operating cash flows.

Particulars	**Fiscal**			**Nine months ended December 31,**	
	2018	**2019**	**2020**	**2019**	**2020**
	(₹ million)				
Net cash flow from/ (used in) from operating activities	2,469.49	4,565.56	851.55	(1,047.37)	6,568.08
Net cash flow from/ (used in) investing activities	(1,420.53)	(5,669.62)	(2,773.99)	(1,427.56)	(2,311.12)
Net cash flow from/ (used in) financing activities	(1,621.69)	1,121.76	2,120.45	2,565.31	(4,558.73)
Effect of foreign exchange fluctuation	244.72	-	-	29.27	158.39
Net changes in cash and cash equivalents	(328.01)	17.70	198.01	119.65	(143.38)

Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. For further information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 285.

58. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.

We have in the past entered into transactions with certain of our Promoters, relatives of our Promoters, Directors, and Group Companies. While we believe that all such transactions have been conducted on an arm's length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties. Further, it is likely that we may enter into related party transactions in the future. In addition, certain portions of land on which our Jamuria manufacturing plant is located is owned by a Promoter Group entity and there is no formal relationship/arrangement for use of this land. Such related party transactions may potentially involve conflicts of interest.

In Fiscal 2018, 2019 and 2020 and in the nine months ended December 31, 2020, the aggregate amount of such related party transactions was ₹ 10,016.37 million, ₹ 23,502.20 million, ₹ 12,041.42 million and ₹ 9,343.70 million, respectively. For details on our related party transactions, see "*Related Party Transactions*" on page 272. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition.

59. We have certain contingent liabilities that have not been provided for in our financial statements, which if they materialise, may adversely affect our financial condition.

As of December 31, 2020, our contingent liabilities were as follows:

Particulars	**As of December 31, 2020**
	(₹ million)
Unredeemed bank guarantees on behalf of the joint venture company	20.02
Other unredeemed bank guarantees	1,263.08
Bills discounted with banks	367.18
Demands/Claims by various Government authorities and others not acknowledged as debts:	
(i) Excise duty	1,096.74
(ii) Service tax	3.88
(iii) Custom duty	46.93
(iv) Sales tax	243.36
(v) Odisha entry tax	-
(vi) ESI	1.39
(vii) WBSEB	-
Total	**3,042.58**

For further information on our contingent liabilities, see "*Financial Information – Note 42: Commitments and Contingent Liabilities*" on page 261.

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations.

60. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. 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, 2013. Our Board approved a formal dividend policy of our Company, at its meeting dated May 15, 2018, which includes parameters to be considered by our Board for declaration of dividend, with an objective of rewarding the shareholders of our Company. The Company has not declared and paid any dividends on the Equity Shares in any of the three Financial Years preceding the filing of this Draft Red Herring Prospectus and until the filing of this Draft Red Herring Prospectus. However, our Subsidiary, Shyam SEL and Power Limited has recently made dividend payments on January 13, 2021. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. 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, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future. Accordingly, realization of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value. For details of dividend paid by our Company in the past, see "*Dividend Policy*" on page 209.

61. If we are not able to successfully identify and integrate any future acquisitions, it could have a material adverse effect on our growth strategy, business, financial condition, results of operations and prospects.

We intend to explore the possibility of growing inorganically by acquiring distressed steel plants in order to increase our revenues and profitability. The completion of acquisitions and, if completed, the successful integration of such newly acquired steel plants into our operations may be difficult for a variety of reasons, including differing culture or management styles, poor records or internal controls and difficulty in establishing immediate control over cash flows. As a result, potential future acquisitions pose significant risks to our existing operations, including:

- additional demands placed on our senior management, who are also responsible for managing our existing operations;
- increased overall operating complexity of our business, requiring greater personnel and other resources;
- additional cash expenditures to integrate acquisitions;
- incurrence of additional debt to finance acquisitions and higher debt service costs related thereto; and
- the need to attract and retain sufficient numbers of qualified management and other personnel.

Moreover, when making acquisitions it may not be possible for us to conduct a detailed investigation of the nature of the assets being acquired due to, for example, time constraints in making acquisition decisions and other factors. We may also become responsible for additional liabilities or obligations not foreseen at the time of an acquisition. Moreover, even if we are successful in integrating newly acquired assets and acquiring additional assets, expected synergies and cost savings may not materialise, resulting in lower than expected benefits from such acquisitions.

62. Our customers may engage in certain transactions in or with countries or persons that are subject to U.S. and other sanctions.

U.S. law generally prohibits U.S. persons from directly or indirectly investing or otherwise doing business in or with certain countries that are the subject of comprehensive sanctions and with certain persons or businesses that have been specially designated by the OFAC or other U.S. government agencies. Other governments and international or regional organizations also administer similar economic sanctions. We provide services to our customers, who may be doing business with, or located in, countries to which certain OFAC-administered and other sanctions apply, such as Iran. Although we believe we have compliance systems in place that are sufficient to block prohibited transactions, there can be no assurance that we will be able to fully monitor all of our transactions for any potential violation. Although we do not believe that we are in violation of any applicable sanctions, if it were determined that transactions in which we participate violate U.S. or other sanctions, we could be subject to U.S. or other penalties, and our reputation and future business prospects in the United States or with U.S. persons, or in other jurisdictions, could be adversely affected. We rely on our staff to be up-to-date and aware of the latest sanctions in place. Further, investors in the Equity Shares could incur reputational or other risks as the result of our customers' dealings in or with countries or with persons that are the subject of U.S. sanctions.

External Risk Factors

Risks Relating to India

63. 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. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. 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 in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

64. Natural disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19, acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India or countries to who we export our products could have a negative effect on us. 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 price of the Equity Shares. 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. A worsening of the current outbreak of COVID-19 pandemic or future outbreaks of COVID-19 virus or a similar contagious disease could adversely affect the Indian economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

65. Adverse geopolitical conditions such as increased tensions between India and China, could adversely affect our business, results of operations and financial condition.

Adverse geopolitical conditions such as increased tensions between India and China 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.

66. 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 decreased from Baa2 with a "negative" outlook to Baa3 with a "negative" outlook by Moody's and from BBB with a "stable" outlook to BBB with a "negative" outlook (Fitch) in June 2020; and from BBB "stable" to BBB "negative" by DBRS in May 2020. India's sovereign ratings from S&P is BBB-with a "stable" outlook. 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 favorable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, 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.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets? and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

68. If there is any change in laws or regulations, including taxation laws, or their interpretation, such changes may significantly affect our financial statements.

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Act, 2019 prescribes certain changes to the income tax rate applicable to companies in India. According to this Act, companies can henceforth voluntarily opt in favor of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate for Indian companies from 34.94% to approximately 25.17%. Any such future amendments may affect our other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

In addition, we are subject to tax related inquiries and claims. We may be particularly affected by claims from tax authorities on account of income tax assessment, service tax, past claims of central excise, state VAT, and GST that combines taxes and levies by the central and state governments into one unified rate of interest with effect from July 1, 2017.

Due to COVID -19 pandemic, the Government of India also passed the Taxation and Other Laws (Relaxation of Certain Provisions) Act, 2020, implementing relaxations from certain requirements under, amongst others, the Central Goods and Service Tax Act, 2017 and Customs Tariff Act, 1975.

Further, the Government of India has announced the union budget for Fiscal 2021, pursuant to which the Finance Act, 2020 ("**Finance Act**"), has introduced various amendments. As such, there is no certainty on the impact that the Finance Act, 2020 may have on our business and operations or on the industry in which we operate.

The Government of India has recently announced the union budget for Fiscal 2022, pursuant to which the Finance Act may undergo various amendments. 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 the Company's business, financial condition and results of operations.

In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have an adverse effect on our business.

69. If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional 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, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

70. 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.

71. A third party could be prevented from acquiring control of us post this Offer, 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 Offer. 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.

72. 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 Offer

73. The trading volume and market price of the Equity Shares may be volatile following the Offer.

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.

74. The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.

The Offer Price of the Equity Shares will be determined by our Company in consultation with the Book Running Lead Manager through the Book Building Process. This price will be based on numerous factors, as described under "*Basis for Offer Price*" on page 92 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that you will be able to resell their Equity Shares at or above the Offer Price.

75. The Equity Shares have never been publicly traded and the Offer 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 Offer Price, or at all.

Prior to the Offer, 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 Offer. 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.

76. 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 may undergo 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.

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

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 Offer 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.

78. 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 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 Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

79. 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 371.

80. 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 2018, 2019 and 2020, and for the nine months ended December 31, 2019 and 2020, 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.

81. 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/ Offer 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/ Offer Period and withdraw their Bids until the Bid/ Offer 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/ Offer 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 Offer or cause the trading price of the Equity Shares to decline on listing.

82. Investors 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.

83. Compliance with provisions of Foreign Account Tax Compliance Act may affect payments on the Equity Shares.

The U.S. "Foreign Account Tax Compliance Act" (or "**FATCA**") imposes a new reporting regime and potentially, imposes a 30% withholding tax on certain "foreign passthru payments" made by certain non-U.S. financial institutions (including intermediaries).

If payments on the Equity Shares are made by such non-U.S. financial institutions (including intermediaries), this withholding may be imposed on such payments if made to any non-U.S. financial institution (including an intermediary) that is not otherwise exempt from FATCA or other holders who do not provide sufficient identifying information to the payer, to the extent such payments are considered "foreign passthru payments". Under current guidance, the term "foreign passthru payment" is not defined and it is therefore not clear whether and to what extent payments on the Equity Shares would be considered "foreign passthru payments". The United States has entered into intergovernmental agreements with many jurisdictions (including India) that modify the FATCA withholding regime described above. It is not yet clear how the intergovernmental agreements between the United States and these jurisdictions will address "foreign passthru payments" and whether such agreements will require us or other financial institutions to withhold or report on payments on the Equity Shares to the extent they are treated as "foreign passthru payments". Prospective investors should consult their tax advisors regarding the consequences of FATCA, or any intergovernmental agreement or non-U.S. legislation implementing FATCA, to their investment in Equity Shares.

84. U.S. holders should consider the impact of the passive foreign investment company rules in connection with an investment in our Equity Shares.

A foreign corporation will be treated as a passive foreign investment company ("**PFIC**") for U.S. federal income tax purposes for any taxable year in which either: (i) at least 75% of its gross income is "passive income" or (ii) at least 50% of its gross assets during the taxable year (based on of the quarterly values of the assets during a taxable year) are "passive assets," which generally means that they produce passive income or are held for the production of passive income.

Our Company believes it was not a PFIC for fiscal year ended March 31, 2020, and does not expect to be a PFIC for the current year or any future years. However, no assurance can be given that our Company will or will not be considered a PFIC in the current or future years. The determination of whether or not our Company is a PFIC is a factual determination that is made annually after the end of each taxable year, and there can be no assurance that our Company will not be considered a PFIC in the current taxable year or any future taxable year because, among other reasons, (i) the composition of our Company's income and assets will vary over time, and (ii) the manner of the application of relevant rules is uncertain in several respects. Further, our Company's PFIC status may depend on the market price of its Equity Shares, which may fluctuate considerably.

SECTION IV: INTRODUCTION

THE OFFER

The following table summarizes the details of the Offer:

The Offer	Up to [●] Equity Shares aggregating up to ₹ 11,070.00 million
of which	
Fresh Issue(1)	Up to [●] Equity Shares aggregating up to ₹ 6,570.00 million
Offer for Sale(2)	Up to [●] Equity Shares aggregating up to ₹ 4,500.00 million by the Selling Shareholders
of which	
Employee Reservation Portion(3)(4)	Up to 300,000 Equity Shares aggregating up to ₹ [●] million
Accordingly,	
Net Offer	Up to [●] Equity Shares aggregating up to ₹ [●] million
of which	
A) QIB Portion(5) (6)	Not more than [●] Equity Shares
of which	
Anchor Investor Portion	Up to [●] Equity Shares
Net QIB Portion available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
of which	
Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding the Anchor Investor Portion))	[●] Equity Shares
Balance for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Portion(6)	Not less than [●] Equity Shares
C) Retail Portion(6)	Not less than [●] Equity Shares
Pre and post Offer Equity Shares	
Equity Shares outstanding prior to the Offer	233,610,100 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of Net Proceeds	Please see the section entitled "*Objects of the Offer*" on page 79 for information about the use of the Net Proceeds. Our Company will not receive any proceeds from the Offer for Sale.

(1) The Offer has been authorized by a resolution of our Board of Directors dated February 12, 2021, and by a special resolution of our Shareholders in their EGM dated February 19, 2021.

(2) Each of the Selling Shareholders has authorized the sale of its respective portion of the Offered Shares in the Offer for Sale. For details on the authorization of the Selling Shareholders in relation to the Offered Shares, please see the section entitled "Other Regulatory and Statutory Disclosures" beginning on page 333.

(3) In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation up to ₹ 500,000), shall be added to the Net Offer. The Employee Reservation Portion shall constitute up to 5% of the post-Offer paid-up Equity Share capital. For further details, please see the section entitled "Offer Structure" beginning on page 351.

(4) Our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, may offer a discount of up to [●]% of the Offer Price (equivalent of ₹ [●] per Equity Share) to Eligible Employees bidding in the Employee Reservation Portion, which shall be announced two Working Days prior to the Bid /Offer Opening Date.

(5) Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB Portion will accordingly be reduced for the shares allocated to Anchor Investors. 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 QIB Portion. 5% of the QIB Portion (excluding Anchor Investor 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 Offer Price. Any unsubscribed portion in the Mutual Fund Portion will be added to the QIB Portion (excluding Anchor Investor Portion) and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, please see the section entitled "Offer Procedure" on page 355. Allocation to all categories shall be made in accordance with SEBI ICDR Regulations.

(6) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange. In the event of an undersubscription in the Offer, Equity Shares offered pursuant to the Fresh Issue shall be allocated in the Fresh Issue, prior to the Offered Shares. However, after receipt of minimum subscription of 90% of the Fresh Issue, the Offered Shares, shall be allocated prior to the Equity Shares offered pursuant to the Fresh Issue. For further details, please see the section entitled "Offer Procedure" on page 355.

Allocation to Bidders in all categories, except the Anchor Investor Portion and the Retail Portion, if any, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be Allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For further details, please see the section entitled "*Offer Procedure*" on page 355.

For details, including in relation to grounds for rejection of Bids, please see the sections entitled "*Offer Structure*" and "*Offer Procedure*" on pages 351 and 355, respectively. For details of the terms of the Offer, please see the section entitled "*Terms of the Offer*" on page 346.

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from the Restated Financial Statements.

The Restated Financial Statements has been prepared, based on financial statements as at and for the nine months ended December 31, 2020 and December 31, 2019, December 31, 2019 and the Fiscals 2020, 2019 and 2018. The Restated Financial Statements have been prepared in accordance with Ind AS and the Companies Act 2013, restated in accordance with the SEBI ICDR Regulations and are presented in the section entitled "Financial Information" on page 210.

The summary financial information presented below should be read in conjunction with the sections entitled "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 210 *and* 285 *respectively.*

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RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(in ₹ million)

Particulars	Period ended December 31, 2020	Period ended December 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2018
ASSETS					
Non-current assets					
a) Property, plant and equipment	18,378.52	19,685.71	19,685.07	17,297.84	17,230.28
b) Right of use assets	419.64	429.91	427.23	434.73	233.79
c) Capital work-in-progress	3,509.54	2,064.97	2,354.49	3,576.99	906.27
d) Intangible assets	6.26	7.31	7.88	8.36	4.47
e) Intangible assets under development	-	-	-	-	7.48
f) Financial assets					
i. Investments	703.10	736.10	724.30	684.22	622.13
ii. Loans					
iii. Other financial assets	448.21	325.12	407.67	74.96	38.32
g) Deferred tax assets (net)	678.56	124.47	290.12	-	-
h) Other non-current assets	3,777.80	1,821.93	2,292.45	579.79	714.85
Total non-current assets	**2,7921.63**	**2,5364.52**	**26,189.21**	**22,656.89**	**19,757.59**
Current assets					
a) Inventories	11,499.78	11,312.99	1,4867.11	7,321.33	5,584.93
b) Financial assets					
i. Investments	976.36	715.77	715.54	2,054.31	1,331.75
ii. Trade receivables	2,436.86	2,969.44	2,590.18	2,129.06	3,687.15
iii. Cash and cash equivalents	153.58	218.60	296.96	98.95	81.25
iv. Other bank balances	1,628.00	456.97	915.35	879.46	451.69
v. Loans	157.87	221.71	41.83	474.06	60.24
vi. Other financial assets	742.34	718.53	661.53	686.23	810.38
c) Current Tax Assets (Net)	-	34.68	48.09	42.41	-
d) Other current assets	5,535.05	7,658.98	5,712.08	4,181.64	2,941.30
Total current assets	**23,129.84**	**24,307.67**	**25,848.67**	**17,867.45**	**14,948.69**
Total Assets	**51,051.47**	**49,672.19**	**52,037.88**	**40,524.34**	**34,706.28**
EQUITY AND LIABILITIES					
Equity					
a) Equity share capital	2,336.10	2,336.10	2,336.10	2,336.10	467.22
b) Other equity	30,516.66	25,130.45	25,923.65	22,560.50	18,072.67
Total Equity	**32,852.76**	**27,466.55**	**28,259.75**	**24,896.60**	**18,539.89**
Non-controlling interests	41.49	42.22	41.51	44.34	2,095.41
Liabilities					
Non-current liabilities					
a) Financial liabilities					
i. Borrowings	1,826.23	3,547.76	3,513.12	2,132.78	2,017.24
ii. Other financial liabilities	200.37	164.36	198.81	423.21	93.69
iii. Provisions	97.77	97.99	271.83	59.74	57.82
b) Deferred tax liabilities (net)	-	-	-	726.90	1101.03
c) Other non-current liabilities	2,099.18	2,459.21	2,626.94	1,861.62	751.81
d) Lease Liabilities	56.71	61.08	59.49	61.40	33.23
Total non-current liabilities	**4,280.26**	**6,330.40**	**6,670.19**	**5,265.65**	**4,054.82**
Current liabilities					
a) Financial liabilities					
i. Borrowings	6,823.04	6,177.87	9,211.28	4,427.68	2,786.55
ii. Lease Liabilities	4.71	4.64	4.86	3.85	0.97
iii. Trade payables					
-total outstanding dues of micro enterprises and small enterprises	5.22	26.04	33.49	-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	3,532.88	5,280.40	4,990.36	3,106.10	4,471.18
b) Other financial liabilities	771.19	1,524.53	1,545.44	1,010.48	1,075.54
c) Other current liabilities	2,220.32	2,646.91	1,275.42	1,764.74	1,352.80
d) Provisions	275.04	172.63	5.58	4.90	4.34
e) Current tax liabilities (net)	244.56	-	-	-	324.78
Total current liabilities	**13,876.96**	**15,833.02**	**17,066.43**	**10,317.75**	**10,016.16**
Total equity and liabilities	**51,051.47**	**49,672.19**	**52,037.88**	**40,524.34**	**34,706.28**

RESTATED CONSOLIDATED STATEMENT OF PROFITS AND LOSSES

(in ₹ million)

Particulars	Period ended December 31, 2020	Period ended December 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2018
I INCOME					
II Revenue from operations	39,330.84	32,830.94	43628.86	46,063.95	38,425.66
Other income	625.48	333.54	324.16	781.65	778.33
III Total revenue(I+II)	**39,956.32**	**33,164.48**	**43953.02**	**46,845.60**	**39,203.99**
IV Expenses					
Cost of material consumed	24,373.60	21,220.50	27182.24	27,827.72	22,967.91
Purchase of traded goods	45.72	336.43	632.51	286.17	1,282.82
Excise Duty	-	-	-	-	954.05
Changes in inventories of stock-in-Trade	134.09	(764.38)	(1034.89)	(251.20)	(543.66)
Employee benefits expense	1,247.35	1,229.53	1683.55	1,450.25	1,064.46
Finance costs	558.44	608.66	858.84	644.34	488.58
Depreciation and amortization Expense	2,199.70	2,035.31	2,966.49	1,945.76	2,150.47
Other expenses	6,336.32	6,282.79	8709.89	7,303.91	5,689.96
Total expenses (IV)	**34,895.22**	**30,948.84**	**40,998.63**	**39,206.95**	**34,054.59**
V Profit/(Loss) before share in profit/(Loss) of Associate and Joint Venture and tax (III-VI)	**5,061.10**	**2,215.64**	**2,954.39**	**7,638.65**	**5,149.40**
VI Share in Profit/(Loss) of Associate and Joint Venture	1.51	5.34	0.24	0.32	24.46
VII Profit/(Loss) before tax (V+VI)	**5,062.61**	**2,220.98**	**2,954.63**	**7,638.97**	**5,173.86**
VIII Tax expense:					
(i) Current tax	917.43	466.75	574.48	1,663.07	1,395.08
(ii) Deferred tax	(418.03)	(849.38)	(1023.14)	(391.93)	(1,501.61)
IX Profit/(Loss) for the period (VII-VIII)	**4,563.21**	**2,603.61**	**3,403.29**	**6,367.83**	**5,280.39**
Profit / Loss attributable to Non Controlling Interest	(0.02)	(2.12)	(0.12)	326.58	1,036.73
Profit / Loss attributable to owners of the Parent	**4,563.23**	**2,605.73**	**3,403.41**	**6,041.25**	**4,243.66**
X Other comprehensive income / (Loss)					
(i) Items that will not be reclassified to profit or loss, net of tax					
- Remeasurement of defined benefit Plan	1.39	(27.24)	(6.48)	1.62	4.82
- Gains and losses from investments in equity instruments designated at fair value through other comprehensive income	46.46	35.41	16.31	62.75	(78.48)
- Income tax relating to above	(8.96)	2.19	(5.51)	(14.61)	12.06
Other comprehensive income / (loss) for the year, net of tax	**38.89**	**10.36**	**4.32**	**49.76**	**(61.60)**
XI Total comprehensive income / (loss) for the year (IX+X)	**4,602.10**	**2,613.97**	**3,407.61**	**6,417.59**	**5,218.79**
Profit / (Loss) is attributable to:					
Owners of the parent	4,602.12	2,616.09	3,407.73	6,091.01	4,182.06
Non-controlling interests	(0.02)	(2.12)	(0.12)	326.58	1,036.73
Earnings per equity share					
Basic (in ₹)	19.53	11.15	14.57	25.86	18.17
Diluted (in ₹)	19.53	11.15	14.57	25.86	18.17
Face value per share (in ₹)					

RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS

(in ₹ million)

Particulars	Period ended December 31, 2020	Period ended December 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES					
Net profit before tax	5,062.61	2,220.98	2,954.63	7,638.97	5,173.86
Adjustments for:					
Depreciation and amortization (including impairment)	2,199.70	2,035.31	2,966.49	1,945.76	2,150.47
Irrecoverable Debts, Claims and Advances Written Off	-	-	-	67.81	83.22
Provision for Gratuity	55.69	66.09	84.37	49.51	66.23
Dividend Received	(0.74)	(6.35)	(6.63)	(205.58)	(24.60)
Provision written back as per expected credit loss model	-	11.73	25.23	(36.55)	(47.40)
Unspent Liabilities written back and Unclaimed Balances adjusted	(111.29)	(45.85)	(46.37)	-	-
Loss on sale of fixed assets	-	1.08	-	-	125.45
Unrealised Foreign Exchange Fluctuations	(158.39)	(29.27)	-	-	(244.72)
Gain on derivative contracts (including provision for mark-to-market losses)	(55.37)	-	-	-	-
Profit on Sale of Investments	(66.86)	(64.72)	(28.95)	(96.59)	(97.80)
(Profit)/Loss on sales of Property, Plant and Equipment	-	-	(2.63)	(0.49)	-
Interest Income	(60.46)	(50.01)	(60.01)	(123.33)	(50.66)
Interest & Finance charges	558.44	608.66	858.84	644.34	488.58
Operating profit before working capital changes	**7,423.33**	**4,747.65**	**6,744.97**	**9,883.85**	**7,622.63**
Adjustments for working capital:					
(Increase) / decrease in trade receivables	153.32	(852.11)	354.03	1,526.83	(996.92)
(Increase) / decrease in inventories	3,367.33	(3,991.66)	(3,554.12)	(1,736.40)	(1,665.05)
(Increase) / decrease in financial loans, other financial assets and other assets	(2,401.45)	(2,767.40)	(1,912.11)	(2,063.62)	(3,582.80)
Increase / (decrease) in trade payables, provisions and other liabilities	(1,374.45)	2,246.15	(236.22)	(1,365.10)	2,232.97
Cash generated from operating activities	**7,168.08**	**(617.37)**	**1,396.55**	**6,245.56**	**3,610.83**
Direct taxes paid / (refund) (net)	(600.00)	(430.00)	(545.00)	(1,680.00)	(1,141.34)
Net cash generated from operating activities	**6,568.08**	**(1,047.37)**	**851.55**	**4,565.56**	**2,469.49**
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment	(2,038.99)	(3,075.36)	(3,081.64)	(4,880.91)	(1,027.58)
(Increase)/ Decrease in Investment (Net)	(172.76)	1,351.39	40.98	(688.06)	(743.63)
Dividend Received	0.74	6.35	6.63	205.58	24.60
Loans Refunded/ (Given)	(116.04)	252.35	179.88	(413.82)	272.63
Interest income received	15.93	37.71	80.16	107.59	53.45
Net cash generated from / (used in) investing activities	**(2,311.12)**	**(1,427.56)**	**(2,773.99)**	**(5,669.62)**	**(1,420.53)**
C. CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds/(Repayment) from/(of) current borrowings (net)	(4,019.77)	3,165.16	2,998.78	1,756.67	(1,129.16)
Finance costs paid	(538.96)	(599.85)	(878.33)	(634.91)	(492.53)
Net cash generated from/(used) in financing activities	**(4,558.73)**	**2,565.31**	**2,120.45**	**1,121.76**	**(1,621.69)**
D. Effect of Foreign Exchange Fluctuation	**158.39**	**29.27**	**-**	**-**	**244.72**
Net increase / (decrease) in cash and cash equivalents (A+B+C+D)	**(143.38)**	**119.65**	**198.01**	**17.70**	**(328.01)**
Cash and cash equivalents as at the beginning of the period	296.96	98.95	98.95	81.25	409.26
Closing balance of cash and cash equivalents	**153.58**	**218.60**	**296.96**	**98.95**	**81.25**
Components of cash and cash equivalents:					
Cash on hand	5.37	6.25	7.45	4.67	5.29
Balances with banks:					
- in current accounts	136.13	212.35	288.16	94.28	75.96
- Cheques/DD on Hand	12.08		1.35	-	-
Cash and cash equivalents	**153.58**	**218.60**	**296.96**	**98.95**	**81.25**

GENERAL INFORMATION

Our Company was originally incorporated as Shyam DRI Power Limited on December 10, 2002, at Kolkata, West Bengal, India as a public limited company under the Companies Act, 1956 and received the certificate for commencement of business from RoC on December 11, 2002. Subsequently, the name of our Company was changed to Shyam Metalics and Energy Limited, *vide* a special resolution passed by the Shareholders on November 23, 2009, and a fresh certificate of incorporation consequent upon change of name was issued by the RoC on January 5, 2010. For details of the change in the name and change in registered office of our Company, please see the section entitled "*History and Certain Corporate Matters*" on page 158.

For details of the business of our Company, please see the section entitled "*Our Business*" on page 131.

Registered and Corporate Office
Trinity Tower, 7th Floor
83, Topsia Road, Kolkata – 700046
West Bengal

Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are as follows:

Registration number: 095491
Corporate identity number: U40101WB2002PLC095491

Address of the RoC

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

Registrar of Companies
Nizam Palace
2nd MSO Building
2nd floor, 234/4, A.J.C.B. Road
Kolkata 700 020
West Bengal, India

Filing

A copy of this Draft Red Herring Prospectus has been filed 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 required to be filed under Section 32 of the Companies Act, 2013, would be filed with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013, would be filed with the RoC at its office, and through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do.

Board of Directors

The Board of our Company as on the date of this Draft Red Herring Prospectus comprises the following:

Name	Designation	DIN	Address
Mahabir Prasad Agarwal	Chairman	00235780	Shree Kunj, 14B, Alipore Park Road, Alipore, Kolkata – 700 027, West Bengal, India
Brij Bhushan Agarwal	Vice Chairman and Managing Director	01125056	Shree Kunj, 14B, Alipore Park Road, Alipore, Kolkata – 700 027, West Bengal, India
Sanjay Kumar Agarwal	Joint Managing Director	00232938	PS Astoria, 12A, Sarojini Naidu Sarani, Flat 13A. Kolkata – 700017, West Bengal, India.
Deepak Kumar Agarwal	Whole-time Director	00560010	33A, Chandra Nath Chatterjee Street, Flat -1 A, North Block, Kolkata 700 025, West Bengal, India
Bhagwan Shaw	Whole-time Director	03419298	27, Durga Bari Road, Kolkata – 700 028, West Bengal, India
Dev Kumar Tiwari	Whole-time Director	02432511	Sarswati Vihar Ambira Nagar, Ainthapali, Sambalpur – 768 004, Odisha, India
Venkata Krishna Nageswara Rao Majji	Independent Director	07035891	Shree Ram Nagar Garividi Vizianagaram, Vishakapatnam 535 101, Andhra Pradesh, India

Name	Designation	DIN	Address
Yudhvir Singh Jain	Independent Director	06507365	P-13, MIG Flats, Prasad Nagar, New Delhi 110 005, India
Ashok Kumar Jaiswal	Independent Director	00545574	43, Hindustan Park, Flat 3B, 3rd Floor, Kolkata – 700 029, West Bengal, India
Ajay Choudhury	Independent Director	00040825	375, Prince Anwar Shah Road, Flat – 32C, Tower 1, South City, PS-Jadavpur, Kolkata – 700 068, West Bengal, India
Kishan Gopal Baldwa	Independent Director	01122052	27/1A, Harish Mukherjee Road, F. No. 4C, Kolkata – 700 025, West Bengal, India
Rajni Mishra	Independent Director	07706571	Rabindrapally, Maheshtala, Santoshpur (M), South 24 Parganas, West Bengal – 700142.

For further details of our Directors, please see the section entitled "*Our Management*" on page 174.

Company Secretary and Compliance Officer

Birendra Kumar Jain
Trinity Tower, 7th Floor
83, Topsia Road, Kolkata – 700 046
West Bengal
Tel: +91 33 4016 4000
E-mail: compliance@shyamgroup.com

Book Running Lead Managers

ICICI Securities Limited
ICICI Centre, H.T. Parekh Marg
Churchgate, Mumbai 400 020
Maharashtra, India
Tel: +91 22 2288 2460
E-mail: shyam.ipo@icicisecurities.com
Investor Grievance
E-mail: customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Rupesh Khant
SEBI Registration No.: INM000011179

Axis Capital Limited
1st Floor, Axis House
C-2, Wadia International Centre
P. B. Marg, Worli
Mumbai 400 025
Maharashtra, India
Tel: (91 22) 4325 2183
E-mail: shyam.ipo@axiscap.in
Investor grievance E-mail: complaints@axiscap.in
Website: www.axiscapital.co.in
Contact Person: Pratik Pednekar
SEBI Registration No: INM000012029

IIFL Securities Limited
10th Floor, IIFL Centre, Kamala City,
Senapati Bapat Marg, Lower Parel (West),
Mumbai 400 013
Maharashtra, India
Tel: +91 22 4646 4600
E-mail: shyam.ipo@iiflcap.com
Investor Grievance E-mail: ig.ib@iiflcap.com
Website: www.iiflcap.com
Contact Person: Pinak Bhattacharyya
SEBI Registration No.: INM000010940

JM Financial Limited
7th Floor Cnergy
Appasaheb Marathe Marg
Prabhadevi, Mumbai 400 025
Maharashtra, India
Tel: +91 22 6630 3030
E-mail: shyammetalics.ipo@jmfl.com
Investor Grievance E-mail:grievance.ibd@jmfl.com
Website: www.jmfl.com
Contact Person: Prachee Dhuri
SEBI Registration No.: INM000010361

SBI Capital Markets Limited
202, Maker Tower 'E'
Cuffe Parade, Mumbai 400 005
Maharashtra, India
Tel: +91 22 2217 8300
Email: shyam.ipo@sbicaps.com
Website: www.sbicaps.com
Investor Grievance Email: investor.relations@sbicaps.com
Contact person: Aditya Deshpande
SEBI Registration No: INM000003531

Syndicate Members

[●]

Indian Legal Counsel to our Company

J. Sagar Associates
Vakils House
18 Sprott Road, Ballard Estate
Mumbai 400 001
Maharashtra, India
Tel: +91 22 4341 8600

International Legal Counsel to the BRLMs
Squire Patton Boggs (MEA) LLP
Dubai International Financial Centre (DIFC)
Burj Daman Office Tower, Level 10
Dubai 111713
United Arab Emirates
Tel: +971 4447 8700

Legal Counsel to the BRLMs as to Indian Law
IndusLaw
#1502B, 15th Floor,
Tower – 1C,
"One World Centre",
Senapati Bapat Marg,
Lower Parel,
Mumbai – 400 013
Telephone: +91 22 4920 7200

Advisor to our Company
KRATA CORP ADVISERS
122, Trinity Building
A.P. Market
S.S. Gaikwad Road, Marine Lines,
Mumbai – 400 002
Tel: +91 98206 37628
Email: shyamipo@krata.co.in
Contact Person: Kashyap H. Choksi

Statutory Auditors to our Company
S K Agrawal and Co Chartered Accountants LLP
Suite 606-608, The Chambers
1865, Rajdanga Main Road
Opposite Gitanjali Stadium
Kolkata 700 107
West Bengal, India
E-mail : info@skagrawal.co.in
Tel : +91 9681706868
Firm Registration No. : 306033E/ E300272
Peer Review Certificate Number: 011656

Registrar to the Offer
KFin Technologies Private Limited
(Formerly known as "Karvy Fintech Private Limited")
Karvy Selenium, Tower B
Plot No - 31 and 32, Financial District,
Nanakramguda, Serilingampally
Hyderabad, Rangareddi 500 032
Telangana, India
Tel: +91 40 6716 2222
Toll free number: 18003454001
E-mail: shyammetalics.ipo@kfintech.com
Investor grievance email: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: M. Murali Krishna
SEBI Registration No.: INR000000221

Bankers to the Offer

[●]

Bankers to our Company

Axis Bank Limited
Corporate Banking Branch, AC Market Building,
3rd Floor, 1 Shakespeare Sarani, Kolkata 700 001
Tel: 033-6701 4425
Email prasun.d@axisbank.com
Website: www.axisbank.com
Contact Person: Prasun K Das

HDFC Bank Limited
Bank House, 3A,
Gurusaday Road, 2nd Floor
Tel: 033-66384129
Email: Abhinandan.ajitsaria@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Abhinandan Ajitsaria

ICICI Bank Limited
3A, Gurusaday Road,
Kolkata – 700 019
Tel: 98740 - 28344
Email: prakash.bagla@icicibank.com
Website: www.icicibank.com
Contact Person: Prakash Bagla

UCO Bank
2 No India Exchange Place,
Kolkata 700 001
Tel: 033 2230 3383
Email: calind@ucobank.co.in
Website: ucobank.com
Contact Person: Sumit Khandelwal

State Bank of India
24 Park Street, Magma House,
3rd Floor, Kolkata – 700 016, West Bengal
Tel: (033) 2249 2886
Email: rm5.cbkol@sbi.co.in
Website: https://bank.sbi
Contact Person: Sikander Ahmed

Yes Bank Limited
56A Hemanta Basu Sarani,
Kolkata – 700 001
Tel: (033) 40854158
Email: harkesh.sharma@yesbank.in
Contact Person: Harkesh Sharma
Website: www.yesbank.in

IDFC First Bank Limited
IDFC First Bank, Saket Building,
1st Floor, 44 Park Street,
Kolkata – 700 016
Tel: 033-66390710
Email: navneet.daga@idfcfirstbank.com
Website: www.idfcfirst.com
Contact Person: Navneet Daga

Bank of Baroda
4 India Exchange Place
Kolkata – 700 001
Tel: 033 2262 2089
Email: WHLKOL@bankofbaroda.com
Website: www.bankofbaroda.com
Contact Person: Raveesh Kumar

Designated Intermediaries

Self Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which an ASBA Bidder (other than an RIB using the UPI mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, may submit the ASBA Forms is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 on the SEBI website, 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.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIBs) 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 http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35, 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 http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35 or any such other website as may be prescribed by SEBI from time to time.

SCSBs eligible as Issuer Banks for UPI Mechanism

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 Bidders 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), or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA forms from the Bidders (other than RIBs), including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and 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 (other than RIBs) at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Experts

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

a) Our Company has received written consent from the Auditors namely, S K Agrawal and Co Chartered Accountants LLP, to include their name as “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an auditor and in respect of their examination report dated February 23, 2021, on our Restated Financial Statements and their report dated February 23, 2021, on the statement of special tax benefits included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under Securities Act.

b) Our Company has received written consent from Kalyan Bhattacharya, Chartered Engineer to include his name as “expert” as defined under section 2(38) of the Companies Act in respect of the certificate dated February 15, 2021, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Changes in Auditors

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

Monitoring Agency

Our Company shall appoint a monitoring agency for monitoring the utilisation of the Net Proceeds from the Fresh Issue under Regulation 41 the SEBI ICDR Regulations prior to filing of the Red Herring Prospectus.

As required under the SEBI Listing Regulations, the monitoring report of the monitoring agency shall be placed before the Audit Committee appointed by the Board on an annual basis. We will disclose the utilization of the proceeds of the Offer under a separate head along with details, if any, in relation to all such proceeds of the Offer that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Offer in our balance sheet for the relevant Fiscals.

Appraising Entity

No appraising entity has been appointed in relation to the Offer

Grading of the Offer

No credit rating agency registered with SEBI has been appointed for grading the Offer.

Inter-se allocation of Responsibilities

The following table sets forth the inter-se allocation of responsibilities for various activities among the BRLMs for the Offer:

S. No.	Activity	Responsibility	Coordinator
1.	Capital structuring, 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 finalisation of Prospectus and RoC filing	BRLMs	I-Sec
2.	Drafting and approval of all statutory advertisement	BRLMs	I-Sec
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report	BRLMs	IIFL
4.	Appointment of intermediaries - Registrar to the Offer, advertising agency, Banker(s) to the Offer, Sponsor Bank, printer and other intermediaries, including coordination of all agreements to be entered into with such intermediaries	BRLMs	I-Sec
5.	Preparation of road show presentation	BRLMs	I-Sec
6.	Preparation of frequently asked questions	BRLMs	JM
7.	International institutional marketing of the Offer, which will cover, *inter alia*: • marketing strategy; • Finalizing the list and division of investors for one-to-one meetings; and • Finalizing road show and investor meeting schedule	BRLMs	I-Sec
8.	Domestic institutional marketing of the Offer, which will cover, *inter alia*: • marketing strategy; • Finalizing the list and division of investors for one-to-one meetings; and • Finalizing road show and investor meeting schedule	BRLMs	JM
9.	Retail marketing of the Offer, which will cover, *inter alia*, • Finalising media, marketing and public relations strategy including list of frequently asked questions at retail road shows; • Finalising centres for holding conferences for brokers, etc.; • Follow-up on distribution of publicity and Offer material including application form, the Prospectus and deciding on the quantum of the Offer material; and • Finalising collection centres	BRLMs	Axis
10.	Conduct Non-institutional marketing of the Offer	BRLMs	IIFL
11.	Coordination with Stock Exchanges for book building software, bidding terminals, mock trading, payment of 1% security deposit, anchor coordination, anchor CAN and intimation of anchor allocation	BRLMs	IIFL
12.	Managing the book and finalization of pricing in consultation with the Company	BRLMs	I-Sec
13.	Post-Offer activities, which shall involve essential follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising Company about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds, payment of STT on behalf of the Selling Shareholders and coordination with various agencies connected with the post-Offer activity such as Registrar to the Offer, Bankers to the Offer, Sponsor Bank, SCSBs including responsibility for underwriting arrangements, as applicable. Coordinating with Stock Exchanges and SEBI for submission of all post-Offer reports including the initial and final post-Offer report to SEBI, release of 1% security deposit post closure of the Offer	BRLMs	SBICAP

Credit Rating

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

Debenture Trustees

As this is an Offer consisting only of Equity Shares, the appointment of debenture trustees is not required.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Book Building Process

Book building, in the context of the Offer, 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, which will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs and, if not disclosed in the Red Herring Prospectus, will be advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Bengali regional daily newspaper, Bengali being the regional language in Kolkata where our Registered and Corporate Office is located), at least two Working Days prior to the Bid/Offer

Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Offer Price shall be determined by our Company and the Selling Shareholders, in consultation with the BRLMs after the Bid/Offer Closing Date. For details, please see the section entitled "*Offer Procedure*" on page 355.

All investors, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Offer by providing 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 shall participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs; or (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer 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 stage. Retail Individual Bidders (subject to the Bid Amount being up to ₹ 200,000) and Eligible Employees bidding can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Offer Period. Allocation to the Anchor Investors will be on a discretionary basis, while allocation to QIBs (other than Anchor Investors) and Non-Institutional Bidders will be on a proportionate basis.

For further details on the method and procedure for Bidding and book building procedure, please see the sections entitled "*Terms of the Offer*", "*Offer Structure*" and "*Offer Procedure*" on pages 346, 351 and 355, respectively.

The Book Building Process under the SEBI ICDR Regulations and the Bidding process are subject to change from time to time. Investors are advised to make their own judgment about an investment through this process prior to submitting a Bid.

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

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be issued/offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement. The Underwriting Agreement is dated [●]. 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 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 Offer 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 completed before filing the Prospectus with the RoC.).

Name, address, telephone number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (in ₹ million)
[●]	[●]	[●]

The abovementioned underwriting commitment are provided for indicative purposes only and will be finalised after determination of Offer Price and Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of the 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 SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). The Board of Directors, 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 commitment set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them. 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 Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

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

(In ₹ except share data)

	Particulars	Aggregate nominal value at face value	Aggregate value at Offer Price*
A	**AUTHORIZED SHARE CAPITAL**		
	290,000,000 Equity Shares	2,900,000,000	-
B	**ISSUED, SUBSCRIBED AND PAID UP CAPITAL BEFORE THE OFFER**		
	233,610,100 Equity Shares	2,336,101,000	-
C	**PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**		
	Offer of up to [●] Equity Shares aggregating up to ₹ 11,070.00 million	[●]	[●]
	Of which:		
	Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 6,570 million(1)	[●]	[●]
	Offer for Sale of up to [●] Equity Shares aggregating up to ₹ 4,500 million(2)	[●]	[●]
	Which includes:		
	EMPLOYEE RESERVATION PORTION		
	Employee Reservation Portion of up to 300,000 Equity Shares aggregating to ₹ [●] million(3)	[●]	[●]
	Net Offer of up to [●] Equity Shares	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID UP CAPITAL AFTER THE OFFER**		
	[●] Equity Shares (assuming full subscription in the Offer)*	[●]	
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	1,781,474,104	
	After the Offer	[●]	

(1) The Offer has been authorized by a resolution of our Board of Directors dated February 12, 2021, and a special resolution of our Shareholders in their EGM dated February 19, 2021.

(2) The Selling Shareholders have confirmed and authorized their respective participation in the Offer for Sale. For further information, please see the sections entitled "The Offer" and "Other Regulatory and Statutory Disclosures" on pages 50 and 333, respectively.

(3) Our Company and the Selling Shareholders, in consultation with the BRLMs, may offer an Employee Discount of up to [●]% (equivalent of ₹ [●]) per Equity Share, which shall be announced at least two Working Days prior to the Bid / Offer Opening Date.

** To be updated upon finalisation of Offer Price*

Notes to the Capital Structure

1. **Equity Share Capital History of our Company**

The history of the Equity Share capital of our Company is provided in the following table:

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
December 10, 2002	50,000	10	10	Cash	Subscription to MoA(1)	50,000
April 30, 2003	465,000	10	30	Cash	Preferential issue(2)	515,000
December 29, 2003	303,000	10	100	Cash	Preferential issue(3)	818,000
March 31, 2005	15,955,000	10	10	Cash	Preferential issue(4)	16,773,000
March 31, 2006	10,480,000	10	10	Cash	Preferential issue(5)	27,253,000
March 31, 2007	7,500,000	10	10	Cash	Preferential issue(6)	34,753,000
March 31, 2008	3,286,000	10	100	Cash	Preferential issue(7)	38,039,000
March 31, 2009	5,363,000	10	100	Cash	Preferential issue(8)	43,402,000
December 6, 2010	2,862,317	10	-	Other than cash	Allotment pursuant to merger(9)	46,264,317
December 6, 2010	(14,620,000)	10	-	-	Cancellation on account of cross	31,644,317

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
					holding pursuant to merger(10)	
March 31, 2012	1,700,000	10	100	Cash	Preferential issue(11)	33,344,317
March 31, 2012	500,000	10	100	Cash	Preferential issue(12)	33,844,317
December 28, 2012	3,622,000	10	110	Cash	Further allotment(13)	37,466,317
March 30, 2013	1,000,500	10	110	Cash	Preferential issue(14)	38,466,817
February 26, 2014	3,298,400	10	125	Cash	Preferential issue(15)	41,765,217
November 13, 2014	5,643,236	10	-	Other than cash	Allotment pursuant to merger(16)	47,408,453
November 13, 2014	(3,919,000)	10	-	-	Cancellation on account of cross holding pursuant to merger(17)	43,489,453
January 20, 2017	3,085,787	10	-	Other than cash	Allotment pursuant to merger(18)	46,575,240
January 20, 2017	(228,225)	10	-	-	Cancellation on account of cross holding pursuant to merger(19)	46,347,015
March 30, 2017	5	10	-	Other than cash	Allotment pursuant to merger(20)	46,347,020
March 30, 2017	375,000	10	186	Cash	Preferential issue(21)	46,722,020
June 20, 2018	186,888,080	10	-	-	Bonus issue in the ratio of four bonus shares for every one Equity Share held by the Shareholders(22)	233,610,100

(1) 7,500 Equity Shares were each allotted to Sanjay Agarwal, Bajrang Lal Agarwal, Brij Bhushan Agarwal, Mittu Agarwal and Mahabir Prasad Agarwal, 6,500 Equity Shares were allotted to Santosh Kumar and 6,000 Equity Shares were allotted to Dev Kumar Tiwari

(2) 55,000 Equity Shares were allotted to Dorite Tracon Private Limited, 140,000 Equity Shares were allotted to Conventary Commodeal Private Limited and 270,000 Equity Shares were allotted to S.A. Trading Co. Private Limited

(3) 15,000 Equity Shares were each allotted to Sulabh Resources Pvt. Ltd., Ulike Developers Pvt. Ltd., Rohan Finance & Securities Ltd., BKP Stock & Investment Pvt. Ltd. and Swarnaratna Investment Pvt. Ltd., 5,000 Equity Shares were each allotted to Bhagwat Kripa Trading (P) Ltd., Dhadhichi Trading & Holding Pvt. Ltd., Dhardihar Trading Pvt. Ltd., KBR Township Pvt. Ltd., Izone Marketing Pvt. Ltd., Torrent Agents Pvt. Ltd., Anindra Sales Pvt. Ltd. and Janpragati Commodities Pvt. Ltd., 30,000 Equity Shares were each allotted to Monalisha Suppliers Pvt. Ltd. and Scope Commodeal Pvt. Ltd., 25,000 Equity Shares were each allotted to Kalpataru Housefin & Trading Pvt. Ltd., Navneet Agencies Pvt. Ltd. and Bee Dee Traders Pvt. Ltd., 10,000 Equity Shares were each allotted to Bimex Exports Pvt. Ltd., Vikash Trade Comm Pvt. Ltd., Rich Commodities Pvt. Ltd.,Gunjan Commodities Pvt. Ltd. and Sethia Auto Financers Pvt. Ltd. and 3,000 Equity Shares were allotted to Aum Investment (India) Pvt. Ltd.

(4) 150,000 Equity Shares were each allotted to Amber Capital Market Pvt. Ltd., Dherer Textile Pvt. Ltd. and Pushpak Dealcomm Pvt. Ltd., 50,000 Equity Shares were each allotted to Aum Investment Pvt. Ltd. and B&P Financial Services Pvt. Ltd., 100,000 Equity Shares were each allotted to Autolec International Pvt. Ltd., Ellora Towers & Resources Pvt. Ltd., Prgayaraj Farms Pvt. Ltd. and Rishab Trade & Finance Pvt. Ltd., 130,000 Equity Shares were each allotted to BKP Stock & Investment Pvt. Ltd., Nippy Trading Pvt. Ltd. and Viresh Tradecom Pvt. Ltd., 1,235,000 Equity Shares were allotted to Conventary Commodeal Pvt. Ltd., 65,000 Equity Shares were allotted to Cubon Marketing Pvt. Ltd., 1,380,000 Equity Shares were allotted to Dorite Tracon Pvt. Ltd., 2,650,000 Equity Shares were allotted to Esskay Business Pvt. Ltd., 90,000 Equity Shares were allotted to Golcha Polymer Pvt. Ltd., 2,930,000 Equity Shares were allotted to Gunjan Commodities Pvt. Ltd., 535,000 Equity Shares were allotted to Janpragati Commodities Pvt. Ltd., 600,000 Equity Shares were allotted to Mansa Dealer Pvt. Ltd., 200,000 Equity Shares were allotted to H.K. Securities Pvt. Ltd., 4,000,000 Equity Shares were allotted to Narantak Dealcomm Ltd., 400,000 Equity Shares were allotted to Prasad Trading Co. Pvt. Ltd., 120,000 Equity Shares were allotted to Quantum Impex Pvt. Ltd. and 410,000 Equity Shares were allotted to Reliance Oil Co. Pvt. Ltd.

(5) 300,000 Equity Shares were each allotted to Acoustic Commercial Pvt. Ltd., Accurex Traders P Ltd. and Manifold Resources P Ltd., 250,000 Equity Shares were each allotted to Anand Brothers P Ltd. and Swarnaratna Investment P Ltd., 100,000 Equity Shares were each allotted to Auroplast Merchandise P Ltd., Continential Fiscal Management Ltd. and Shivarpan Mercantiles P Ltd., 450,000 Equity Shares were allotted to Banka Finance & Securities P Ltd., 50,000 Equity Shares were allotted to Blackpool Vinimay P Ltd., 150,000 Equity Shares were each allotted to Cubbon Marketing P Ltd, Neelachal Merketing P Ltd. and Megapode Vyapaar P Ltd., 60,000 Equity Shares were allotted to Dhanmal Vyapaar P Ltd., 330,000 Equity Shares were each allotted to Dherar Textilex P Ltd. and Quantum Impex P Ltd., 200,000 Equity Shares were each allotted to Dico Transport Corporation Ltd., Goldwin Merchandise P Ltd., Long Life Traders & Agency P Ltd., Murat Properties P Ltd. and Niraj Fiscal Services P Ltd., 400,000 Equity Shares were allotted to Izone Marketing P Ltd., 120,000 Equity Shares were each allotted to Negus Mercantile P Ltd. and Puspak Trading & Consultancy P. Ltd., 490,000 Equity Shares were allotted to Pluss Jet Finvest P Ltd., 550,000 Equity Shares were each allotted to Sulabh Resources P Ltd. and Ulike Developers P Ltd., 1,110,000 Equity Shares were allotted to Conventary Commodeal P Ltd. and 2,770,000 Equity Shares were allotted to Ponni Trexim P Ltd.

(6) 2,000,000 Equity Shares were each allotted to Dorite Trackon Pvt. Ltd., Eskay Business Pvt. Ltd. and Narantak Dealcomm Pvt. Ltd. and 1,500,000 Equity Shares were allotted to Conventary Commodeal Pvt. Ltd.

(7) 10,000 Equity Shares were each allotted to Blackpool Vinimay Pvt. Ltd., Enoch Mercantiles (P) Ltd. and Sachida Sales & Services Private Limited, 15,000 Equity Shares were each allotted to Dico Transport Corporation Ltd. and Sidlaw Commercials (P) Ltd., 20,000 Equity Shares were allotted to Swati Stocks & Securities (P) Ltd., 200,000 Equity Shares were allotted to Ponni Trexim Private Limited, 240,000 Equity Shares were allotted to Eskay Business Private Limited, 255,000 Equity Shares were allotted to Dorite Tracon Private Limited, 300,000 Equity Shares were allotted to Narantak Dealcomm Limited, 980,000 Equity Shares were allotted to Sree Panchami Consultants Pvt. Ltd. and 1,231,000 Equity Shares were allotted to Shaily Sales & Services Pvt. Ltd.

(8) 80,000 Equity Shares were allotted to Ponni Trexim (P) Ltd., 85,000 Equity Shares were allotted to Dorite Tracon Pvt. Ltd., 118,000 Equity Shares were allotted to Pitambar Commercial Co Pvt. Ltd., 160,000 Equity Shares were allotted to Conventary Commodeal Pvt. Ltd., 165,000 Equity Shares were allotted to Shubham Buildwell (P) Ltd., 500,000 Equity Shares were allotted to Narantak Dealcomm Limited, 1,155,000 Equity Shares

were allotted to Shaily Sales & Services Pvt. Ltd., 1,400,000 Equity Shares were allotted to Sree Panchami Consultants Pvt. Ltd. and 1,700,000 Equity Shares were allotted to Jhawar Metacast & Engineers Pvt. Ltd.

(9) *Pursuant to the scheme of amalgamation of Jhawar Metacast & Engineers Pvt. Ltd. and Manush Vinimay Pvt. Ltd. with our Company, as approved by the High Court of Calcutta by order dated July 29, 2010, the shareholders of Jhawar Metacast & Engineers Pvt. Ltd. were allotted equity shares of our Company in the ratio 1:3, and the shareholders of Manush Vinimay Pvt. Ltd. were allotted equity shares of our Company in the ratio 1:1. Accordingly, 1,393,367 Equity Shares were allotted to Subham Capital Private Limited and 1,468,950 Equity Shares were allotted to Subham Buildwell Pvt. Ltd. For further details, please see the section entitled "History and Certain Corporate Matters" on page 158.*

(10) *Pursuant to the scheme of amalgamation of Jhawar Metacast & Engineers Pvt. Ltd. and Manush Vinimay Pvt. Ltd. with our Company, as approved by the High Court of Calcutta by order dated July 29, 2010, and Board resolution dated December 6, 2010, the cross-holding of 14,620,000 Equity Shares of both transferor companies in our Company were cancelled.*

(11) *500,000 Equity Shares were each allotted to Dorite Tracon Pvt. Ltd., Pitambar Commercial Co. Pvt. Ltd. and Ponni Trexim Pvt. Ltd. and 200,000 Equity Shares were allotted to Eskay Business Pvt. Ltd.*

(12) *500,000 Equity Shares were allotted to Ponni Trexim Private Limited*

(13) *90,000 Equity Shares were allotted to Conventary Commodeal Pvt. Ltd., 454,500 Equity Shares were allotted to Shaily Sales & Services Pvt. Ltd., 295,000 Equity Shares were each allotted to Pitamber Commercial Co. Pvt. Ltd. and Dorite Trackon Pvt. Ltd., 229,000 Equity Shares were allotted to Eskay Business Pvt. Ltd., 624,500 Equity Shares were allotted to Ponni Trexim Pvt. Ltd., 727,000 Equity Shares were allotted to Kalpataru Housefin & Trading Pvt. Ltd., 363,000 Equity Shares were allotted to Narantak Dealcomm Ltd., 272,000 Equity Shares were each allotted to Gulmohar Complex Pvt. Ltd. and Nandlal Tie-Up Pvt. Ltd.*

(14) *182,000 Equity Shares were allotted to Gulmohar Complex Pvt. Ltd. and 818,500 Equity Shares were allotted to Nandlal Tie-up Pvt. Ltd.*

(15) *58,400 Equity Shares were allotted to Avam Trades & Services Pvt. Ltd., 88,000 Equity Shares were allotted to Conventory Commodeal Pvt. Ltd., 552,000 Equity Shares were allotted to Dorite Tracon Pvt. Ltd., 160,000 Equity Shares were allotted to Eskay Business Private Limited, 632,000 Equity Shares were allotted to Kalpataru Housefin & Trading Pvt. Ltd., 612,000 Equity Shares were allotted to Narantak Dealcomm Limited, 400,000 Equity Shares were allotted to Pitambar Commercial Company Private Limited, 180,000 Equity Shares were allotted to Ponni Trexim Private Limited, 192,000 Equity Shares were allotted to Shaily Sales & Services Private Limited, 116,000 Equity Shares were allotted to Gulmohar Complex Private Limited and 308,000 Equity Shares were allotted to Nandlal Tie-Up Private Limited*

(16) *Pursuant to the scheme of amalgamation of Ponni Trexim Private Limited Eskay Business Private Limited and Nandlal Tie-Up Private Limited with our Company, as approved by the High Court of Calcutta by order dated June 11, 2014, the shareholders of Ponni Trexim Pvt. Ltd. were allotted two Equity Shares of our Company for every five equity shares of Ponni Trexim, the shareholders of Eskay Business Pvt. Ltd. were allotted one Equity Share in our Company for every four equity shares in Eskay Business Pvt. Ltd., and shareholders of Nandlal Tie-Up Pvt. Ltd. were allotted nine Equity Shares in our Company for every four equity shares of Nandlal Tie-up Pvt. Ltd. Accordingly, 1,470,536 Equity Shares were allotted to shareholders of Ponni Trexim Pvt. Ltd., 927,075 Equity Shares were allotted to shreholders of Eskay Business Pvt. Ltd., and 3,245,625 Equity Shares were allotted to shareholders of Nandlal Tie-Up Pvt. Ltd. For further details, please see the section entitled "History and Certain Corporate Matters" on page 158.*

(17) *Pursuant to the scheme of amalgamation of Ponni Trexim Private Limited Eskay Business Private Limited and Nandlal Tie-Up Private Limited with our Company, as approved by the High Court of Calcutta by order dated June 11, 2014, and Board resolution dated November 13, 2014, the cross-holding of 3,919,000 Equity Shares of the transferor companies in our Company were cancelled.*

(18) *Pursuant to the scheme of amalgamation, of Inforev Software Private Limited and Amazing Vinimay Private Limited with our Company, as approved by the High Court of Calcutta by order dated October 3, 2016, shareholders of Inforev Software Pvt Ltd. were allotted Equity Shares of our Company in the ratio 1:3 and shareholders of Amazing Vinimay Private Limited were allotted Equity Shares in our Company in the ratio 7:4. Accordingly, 42,333 Equity Shares were allotted to Dorite Tracon Pvt. Ltd., 4,333 Equity Shares were allotted to Parichay Tradelinks Pvt. Ltd., 93,666 Equity Shares were allotted to Brij Bhushan Agarwal, 4,666 Equity Shares were allotted to Kejariwal Mercantiles Company Pvt. Ltd., 3,666 Equity Shares were allotted to Seven Star Trades & Services Pvt. Ltd., 9,000 Equity Shares were allotted to Tulsi Vanijya Pvt. Ltd., 7,333 Equity Shares were allotted to Vaishno Trades & Services Pvt. Ltd., 5,333 Equity Shares were allotted to Vicky Marketing Services Pvt. Ltd., 64,333 Equity Shares were allotted to Narantak Dealcomm Limited, 71,000 Equity Shares were allotted to Subham Capital Private Limited, 6,666 Equity Shares were allotted to Wellman Tie-Up Pvt. Ltd., 9,333 Equity Shares were allotted to Accurate Dealmark Pvt. Ltd., 918,312 Equity Shares were allotted to Sonata Retails Pvt. Ltd., 905,187 Equity Shares were allotted to Sonata Traders Pvt. Ltd., and 940,626 Equity Shares were allotted to Sonata Dealtrade Pvt. Ltd. For further details, please see the section entitled "History and Certain Corporate Matters" on page 158.*

(19) *Pursuant to the scheme of amalgamation, of Inforev Software Private Limited and Amazing Vinimay Private Limited with our Company, as approved by the High Court of Calcutta by order dated October 3, 2016, and the Board resolution dated March 30, 2017, the cross-holding of 228,225 equity shares of both transferor companies in our Company were cancelled.*

(20) *Pursuant to the scheme of amalgamation of Inforev Software Private Limited and Amazing Vinimay Pvt. Ltd. with our Company, as approved by the Calcutta High Court by order dated October 3, 2016, Mahabir Prasad Agarwal was allotted four Equity Shares for the fractional entitlement of the shareholders of Inforev Software Private Limited and one Equity Share for the fractional entitlement of the shareholders of Amazing Vinimay Pvt. Ltd.*

(21) *375,000 equity shares were allotted to Narantak Dealcomm Limited*

(22) *2,000 Equity Shares were allotted to Bajrang Lal Agarwal, 25,264 Equity Shares were allotted to Sanjay Kumar Agarwal, 2,020 Eqquity Shares were allotted to Mahabir Prasad Agarwal, 18,735,856 Equity Shares were allotted to Brij Bhushan Agarwal, 1,800,000 Equity Shares were allotted to Brij Bhushan Agarwal (HUF), 907,000 Equity Shares were allotted to Mittu Agarwal, 12,157,332 Equity Shares were allotted to Dorite Tracon Private Limited, 43,250,672 Equity Shares were allotted to Narantak Dealcomm Limited, 33,595,816 Equity Shares were allotted to Subham Capital Private Limited, 559,000 Equity Shares were allotted to Toplight Mercantile Private Limited, 58,077,800 Equity Shares were allotted to Subham Buildwell Private Limited, 5,436,000 Equity Shares were allotted to Kalpataru Housefin and Trading Private Limited, 4,050,380 Equity Shares were allotted to Sonata Retails Private Limited, 4,112,540 Equity Shares were allotted to Sonata Traders Private Limited and 4,716,400 Equity Shares were allotted to Sonata Dealtrade Private Limited.*

2. Issue of shares for consideration other than cash

Our Company has not issued any Equity Shares out of revaluation reserves.

Except as set out below, we have not issued shares for consideration other than cash:

Date of allotment	Number of Equity Shares allotted	Face Value per Equity Share (₹)	Allotees and reason for allotment	Benefit accrued to our Company
December 6, 2010	2,862,317	10	Allotment of one Equity Share of our Company for every three equity shares held by shareholders of Jhawar Metacast & Engineers	Merger of Jhawar Metacast & Engineers Private Limited and

Date of allotment	Number of Equity Shares allotted	Face Value per Equity Share (₹)	Allotees and reason for allotment	Benefit accrued to our Company
			Private Limited, and one Equity Share of our Company for every equity share held by shareholders of Manush Vinimay Private Limited, pursuant to the scheme of amalgamation between our Company and Jhawar Metacast & Engineers Private Limited and Manush Vinimay Private Limited, as approved by the High Court of Calcutta.	Manush Vinimay Private Limited with our Company
November 13, 2014	5,643,236	10	Allotment of one Equity Share of our Company for every five equity shares held by shareholders of Ponni Trexim Private Limited, one Equity Share of our Company for every four equity shares held by shareholders of Eskay Business Private Limited, and nine Equity Shares of our Company for every four equity shares held by shareholders of Nandlal Tie-Up Private Limited, pursuant to the scheme of amalgamation between our Company and Ponni Trexim Private Limited, Eskay Business Private Limited and Nandlal Tie-Up Private Limited, as approved by the High Court of Calcutta.	Merger of Ponni Trexim Private Limited, Eskay Business Private Limited and Nandlal Tie-Up Private Limited with our Company
January 20, 2017	3,085,787	10	Allotment of one Equity Share of our Company for every three equity shares of Inforev Software Private Limited, and seven Equity Shares of our Company for every four equity shares of Amazing Vinimay Private Limited, pursuant to the scheme of amalgamation between our Company, Inforev Software Private Limited and Amazing Vinimay Private Limited, as approved by the High Court of Calcutta.	Merger of Inforev Software Private Limited and Amazing Vinimay Private Limited with our Company
March 30, 2017	5	10	Allotment of four Equity Shares for the fractional entitlement of the shareholders of Inforev Software Private Limited and one Equity Share for the fractional entitlement of the shareholders of Amazing Vinimay Private Limited to Mahabir Prasad Agarwal pursuant to the scheme of amalgamation of Inforev Software Private Limited and Amazing Vinimay Private Limited with our Company, as approved by the High Court of Calcutta	Merger of Inforev Software Private Limited and Amazing Vinimay Private Limited with our Company

Except as indicate above, our Company has not issued any other Equity Shares in terms of any scheme of arrangement approved under Sections 391-394 of the Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013. For further details, please see the section entitled "*History and Certain Corporate Matters*" on page 158.

3. The Offer Price shall be determined by our Company and the Selling Shareholders, in consultation with the BRLMs after the Bid / Offer Closing Date. Our Company has not issued any shares at a price which may be lower than the Offer Price during a period of one year preceding the date of this Draft Red Herring Prospectus.

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

5. **History of the Equity Share Capital held by our Promoters**

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 230,088,850 Equity Shares, equivalent to 98.49 % of the issued, subscribed and paid-up Equity Share capital of our Company.

(a) *Build-up of our Promoters' shareholding in our Company*

Set forth below is the build-up of the shareholding of our Promoters since incorporation of our Company:

Date of allotment/ transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post-Offer capital (%)
Brij Bhushan Agarwal							
December 10, 2002	Subscription to the MoA	7,500	Cash	10	10	0.00	[●]
January 8, 2003#	Transfer of 7,000 Equity Shares to Conventary Commodeal Private Limited	(7,000)	Cash	10	10	0.00	[●]
March 31, 2009#	Transfer of 3,900,000 Equity Shares from Subham Capital Private Limited	3,900,000	Cash	10	2.50	1.67	[●]
July 16, 2009#	Transfer of 10,000 Equity Shares from Blackpool Vinimay Private Limited	10,000	Cash	10	10	0.00	[●]
July 16, 2009#	Transfer of 15,000 Equity Shares from from Dico Transport Corporation Limited	15,000	Cash	10	10	0.01	[●]
July 16, 2009#	Transfer of 10,000 Equity Shares from Enoch Mercantile Private Limited	10,000	Cash	10	10	0.00	[●]
July 16, 2009#	Transfer of 10,000 Equity Shares from Sachida Sales Private Limited	10,000	Cash	10	10	0.00	[●]
July 16, 2009#	Transfer of 15,000 Equity Shares from Sidlaw Commercials Private Limited	15,000	Cash	10	10	0.01	[●]
July 16, 2009#	Transfer of 20,000 Equity Shares from Swati Stocks & Securities Private Limited	20,000	Cash	10	10	0.01	[●]
November 13, 2014	Allotment of 609,798 Equity Shares pursuant to merger(1)	609,798	Oher than cash	10	-	0.26	[●]
January 20, 2017	Allotment of 93,666 Equity Shares pursuant to merger(2)	93,666	Other than cash	10	-	0.04	[●]
June 20, 2018	Bonus issue	18,735,856	-	10	-	8.02	[●]
June 20, 2018	Gift of 45,000 Equity Shares to Kiran Vimal Agarwal, 45,000 Equity Shares to Sangeeta Agarwal and 45,000 Equity Shares to Anita Jhunjhunwala	(135,000)	-	10	-	(0.06)	[●]
Sub-Total (A)		**23,284,820**				**9.97**	**[●]**
Sanjay Kumar Agarwal							
December 10, 2002	Subscription to the MoA	7,500	Cash	10	10	0.00	[●]
January 8, 2003#	Transfer of 7,000 Equity Shares to Subham Capital	(7,000)	Cash	10	10	0.00	[●]
July 16, 2009#	Transfer of 500 Equity Shares from Dev Kumar Tiwari	500	Cash	10	10	0.00	[●]
July 16, 2009#	Transfer of 500 Equity Shares from Santosh Kumar	500	Cash	10	10	0.00	[●]
November 13, 2014	Allotment of 4,816 Equity Shares pursuant to merger(1)	4,816	Other than cash	10	-	0.00	[●]
June 20, 2018	Bonus issue	25,264	-	10	-	0.01	[●]
Sub-Total (B)		**31,580**				**0.01**	**[●]**

Date of allotment/ transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post- Offer capital (%)
Mahabir Prasad Agarwal							
December 10, 2002	Subscription to the MoA	7,500	Cash	10	10	0.00	[●]
January 8, 2003#	Transfer of 7,000 Equity Shares to Subham Capital	(7,000)	Cash	10	10	0.00	[●]
March 30, 2017	Allotment of 5 Equity Shares pursuant to merger(2)	5	Other than cash	10	-	0.00	[●]
June 20, 2018	Bonus issue	2,020	-	10	-	0.00	[●]
Sub-Total (C)		**2,525**				**0.00**	**[●]**
Subham Capital Private Limited							
January 8, 2003#	Transfer of 6,000 Equity Shares from Santosh Kumar	6,000	Cash	10	10	0.00	[●]
January 8, 2003	Transfer of 7,000 Equity Shares from Mahabir Prasad Agarwal	7,000	Cash	10	10	0.00	[●]
January 8, 2003#	Transfer of 7,000 Equity Shares from Mittu Agarwal	7,000	Cash	10	10	0.00	[●]
January 8, 2003	Transfer of 7,000 Equity Shares from Sanjay Agarwal	7,000	Cash	10	10	0.00	[●]
April 30, 2003	Preferential Allotment of Equity Shares	270,000	Cash	10	30	0.12	[●]
March 31, 2008	Transfer of 100,000 Equity Shares from Auroplast Merchandise Private Limited, 50,000 Equity Shares from Blackpool Vinimay Private Limited, 100,000 Equity Shares from Continental Discal Management Ltd., 60,000 Equity Shares from Dhanmal Vyapaar Private Limited, 330,000 Equity Shares from Dherar Textilex Private Limited, 200,000 Equity Shares from Dico Transport Corporation Ltd., 200,000 Equity Shares from Goldwin Merchandise Private Limited, 150,000 Equity Shares from Megapode Vyapaar Private Limited, 120,000 Equity Shares from Negus Mercantile Private Limited, 200,000 Equity Shares from Niraj Fiscal Services Private Limited, 490,000 Equity Shares from Pluss Jet Finvest Private Limited, 120,000 Equity Shares from Puspak Trading & Consultancy Private Limited, 330,000 Equity Shares from Quantum Impex Private Limited, 100,000 Equity Shares from Shivarpan Mercantile Private Limited, 550,000 Equity Shares from Sulabh	3,900,000	Cash	10	2.50	1.67	[●]

Date of allotment/ transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post-Offer capital (%)
	Resources Private Limited, 250,000 Equity Shares from Swarnaratna Investment Private Limited, and 550,000 Equity Shares from Ulike Developers Private Limited.						
March 31, 2009	Transfer of 3,900,000 Equity Shares to Brij Bhushan Agarwal	(3,900,000)	Cash	10	2.50	(1.67)	[●]
June 25, 2009#	Transfer of 1,231,000 Equity Shares from Shaily Sales & Services Private Limited, and 980,000 Equity Shares from Sree Panchami Consultants Private Limited	2,211,000	Cash	10	10	0.95	[●]
March 31, 2010	Transfer of 1,435,000 Equity Shares from Shyam SEL and Power Limited, and 1,400,000 Equity Shares from Sreepanchami Consultants Private Limited	2,835,000	Cash	10	2.50	1.21	[●]
December 6, 2010	Allotment of 1,393,367 Equity Shares pursuant to merger(3)	1,393,367	Other than cash	10	-	0.60	[●]
April 1, 2013*	Transmission of 58,400 Equity Shares	58,400	Other than cash	10	125	0.02	[●]
November 13, 2014	Allotment of 1,533,187 Equity Share pursuant to merger(1)	1,533,187	Other than cash	10	-	0.66	[●]
January 20, 2017	Allotment of 71,000 Equity Shares pursuant to merger(2)	71,000	Other than cash	10	-	0.03	[●]
June 20, 2018	Bonus issue	33,595,816	-	10	-	14.38	[●]
Sub-Total (D)		**41,994,770**				**17.98**	**[●]**
Subham Buildwell Private Limited							
March 31, 2009	Preferential allotment of Equity Shares	165,000	Cash	10	100	0.07	[●]
November 25, 2009#	Transfer of 16,197,500 Equity Shares from Shyam SEL and Power Limited	16,197,500	Cash	10	10	6.93	[●]
March 31, 2010#	Transfer of 4,000,000 Equity Shares to Pitamber Commercial Private Limited	(4,000,000)	Cash	10	10	(1.71)	[●]
March 31, 2010#	Transfer of 160,000 Equity Shares from Conventary Commodeal Private Limited, 340,000 Equity Shares from Dorite Tracon Private Limited, 240,000 Equity Shares from Eskay Business Private Limited, 800,000 Equity Shares from Narantak Dealcomm Private Limited, and 280,000 Equity Shares from Ponni Trexim Private Limited	1,820,000	Cash	10	10	0.78	[●]
May 28, 2010#	Transfer of 80,000 Equity Shares to Conventary	(1,132,000)	Cash	10	10	(0.48)	[●]

Date of allotment/ transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post-Offer capital (%)
	Commodeal Private Limited, 47,000 Equity Shares to Eskay Business Private Limited, 525,000 Equity Shares to Dorite Tracon Private Limited, 80,000 Equity Shares to Ponni Trexim Private Limited, and 400,000 Equity Shares to Narantak Dealcomm Ltd.						
December 6, 2010	Allotment of 1,468,950 Equity Shares pursuant to merger(3)	1,468,950	Other than cash	10	-	0.63	[●]
June 20, 2018	Bonus issue	58,077,800	-	10	-	24.86	[●]
Sub-Total (E)		**72,597,250**				**31.08**	**[●]**
Dorite Tracon Private Limited							
January 8, 2003#	Transfer of 5,500 Equity Shares from Dev Kumar Tiwari	5,500	Cash	10	10	0.00	[●]
April 30, 2003	Preferential allotment of Equity Shares	55,000	Cash	10	30	0.02	[●]
December 31, 2004#	Transfer of 15,000 Equity Shares from Sulabh Resources Private Limited, 15,000 Equity Shares from Swarnaratna Investment Private Limited, 15,000 Equity Shares from Ulike Developers Private Limited and 25,000 Equity Shares from Kalpataru Housefin & Trading Private Limited	70,000	Cash	10	10	0.03	[●]
March 31, 2005	Preferential Allotment of Equity Shares	1,380,000	Cash	10	10	0.59	[●]
March 31, 2007	Preferential Allotment of Equity Shares	2,000,000	Cash	10	10	0.86	[●]
March 31, 2007#	Transfer of 1,380,000 Equity Shares to Shyam SEL and Power Limited	(1,380,000)	Cash	10	10	(0.59)	[●]
October 31, 2007#	Transfer of 2,130,500 Equity Shares to Shyam SEL and Power Limited	(2,130,500)	Cash	10	10	(0.91)	[●]
March 31, 2008	Preferential allotment of Equity Shares	255,000	Cash	10	100	0.11	[●]
March 31, 2009	Preferential allotment of Equity Shares	85,000	Cash	10	100	0.04	[●]
March 31, 2010	Transfer of 340,000 Equity Shares to Subham Buildwell	(340,000)	Cash	10	10	(0.15)	[●]
May 28, 2010	Transfer of 525,000 Equity Shares from Subham Buildwell	525,000	Cash	10	10	0.22	[●]
March 31, 2012	Preferential allotment of Equity Shares	500,000	Cash	10	100	0.21	[●]
December 28, 2012	Preferential allotment of Equity Shares	295,000	Cash	10	110	0.13	[●]
February 26, 2014	Preferential allotment of Equity Shares	552,000	Cash	10	125	0.24	[●]
November 13, 2014	Allotment of 1,125,000 Equity Shares pursuant to merger(1)	1,125,000	Other than cash	10	-	0.48	[●]
January 20, 2017	Allotment of 42,333 Equity Shares pursuant to	42,333	Other than cash	10	-	0.02	[●]

Date of allotment/ transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post-Offer capital (%)
	merger(2)						
June 20, 2018	Bonus issue	12,157,332	-	10	-	5.20	[●]
Sub-Total (F)		**15,196,665**				**6.51**	**[●]**
Narantak Dealcomm Limited							
March 31, 2005	Preferential allotment of Equity Shares	4,000,000	Cash	10	10	1.71	[●]
March 31, 2007	Preferential allotment of Equity Shares	2,000,000	Cash	10	10	0.86	[●]
October 31, 2007#	Transfer of 6,000,000 Equity Shares to Shyam SEL and Power Limited	(6,000,000)	Cash	10	10	(2.57)	[●]
March 31, 2008	Allotment of Equity Shares	300,000	Cash	10	100	0.13	[●]
March 31, 2009	Allotment of Equity Shares	500,000	Cash	10	100	0.21	[●]
March 31, 2010	Transfer to Subham Buildwell	(800,000)	Cash	10	10	(0.34)	[●]
May 28, 2010	Transfer of 400,000 Equity Shares from Subham Buildwell	400,000	Cash	10	10	0.17	[●]
December 28, 2012	Preferential allotment of Equity Shares	363,000	Cash	10	110	0.16	[●]
April 1, 2013**	Transmission of 1,105,500 Equity Shares	1,105,500	Other than cash	10	33	0.47	[●]
April 1, 2013**	Transmission of 1,440,325 Equity Shares	1,440,325	Other than cash	10	99	0.62	[●]
April 1, 2013**	Transmission of 5,344,000 Equity Shares	5,344,000	Other than cash	10	33	2.29	[●]
February 26, 2014	Preferential allotment of Equity Shares	612,000	Cash	10	125	0.26	[●]
November 13, 2014	Allotment pursuant to merger(1)	1,108,510	Other than cash	10	-	0.47	[●]
January 20, 2017	Allotment of 64,333 pursuant to merger(2)	64,333	Other than cash	10	-	0.03	[●]
March 30, 2017	Preferential allotment of Equity Shares	375,000	Cash	10	186	0.16	[●]
June 20, 2018	Bonus issue	43,250,672	-	10	-	18.51	[●]
Sub-Total (G)		**54,063,340**				**23.14**	**[●]**
Kalpataru Housefin & Trading Private Limited							
December 29, 2003	Preferential allotment of Equity Shares	25,000	Cash	10	100	0.01	[●]
December 31, 2004	Transfer of 25,000 Equity Shares to Dorite Tracon Private Limited	(25,000)	Cash	10	10	(0.01)	[●]
December 28, 2012	Preferential allotment of Equity Shares	727,000	Cash	10	110	0.31	[●]
February 26, 2014	Preferential allotment of Equity Shares	632,000	Cash	10	125	0.27	[●]
June 20, 2018	Bonus issue	5,436,000	-	10	-	2.33	[●]
November 30, 2018	Transmission of 15,424,150 Equity Shares pursuant to merger***	15,424,150	Other than cash	10	-	6.60	[●]
Sub-Total (H)		**22,219,150**				**9.51**	**[●]**
Toplight Mercantiles Private Limited							
March 31, 2007#	Transfer of 130,000 Equity Shares from Viresh Tradecom Pvt. Ltd., 410,000 Equity Shares from Relience Oil Co. Pvt. Ltd., 130,000 Equity Shares from BKP Stock & Investment Pvt. Ltd., 90,000 Equity Shares from Golcha Plymers Pvt. Ltd., 50,000 Equity Shares from	2,885,000	Cash	10	2.50	1.23	[●]

Date of allotment/ transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post-Offer capital (%)
	B&P Financial Services Pvt. Ltd., 200,000 Equity Shares from H.K. Securities Pvt. Ltd., 150,000 Equity Shares from Amber Capital Market Pvt. Ltd., 10,000 Equity Shares from Senthia Auto Financers Pvt. Ltd., 535,000 Equity Shares from Janpragati Commodities Pvt. Ltd., 400,000 Equity Shares from Prasad Trading Pvt. Ltd., 600,000 Equity Shares from Mansa Dealer Pvt. Ltd., 100,000 Equity Shares from Prayagraj Farms Pvt. Ltd., 50,000 Equity Shares from Aum Investments Pvt. Ltd. and 30,000 Equity Shares from Cubon Marketing Pvt. Ltd.						
October 31, 2007#	Transfer of 2,885,000 Equity Shares to Shyam SEL and Power Limited	(2,885,000)	Cash	10	10	(1.23)	[●]
November 13, 2014	Allotment of 139,750 Equity Shares pursuant to merger(1)	139,750	Other than cash	10	-	0.06	[●]
June 20, 2018	Bonus issue	559,000	-	10	-	0.24	[●]
Sub-Total (I)		**698,750**				**0.30**	**[●]**
Total (A + B + C + D + E + H + I)		**230,088,850**				**98.49**	**[●]**

(1) Pursuant to the scheme of amalgamation of Ponni Trexim Private Limited Eskay Business Private Limited and Nandlal Tie-Up Private Limited with our Company, as approved by the High Court of Calcutta by order dated June 11, 2014, the shareholders of Ponni Trexim Pvt. Ltd. were allotted two Equity Shares of our Company for every five equity shares of Ponni Trexim, the shareholders of Eskay Business Pvt. Ltd. were allotted one Equity Share in our Company for every four equity shares held in Eskay Business Pvt. Ltd. and shareholders of Nandlal Tie-Up Pvt. Ltd. were allotted nine Equity Shares in our Company for every four equity shares of Nandlal Tie-up Pvt. Ltd.

(2) Pursuant to the scheme of amalgamation of Inforev Software Private Limited and Amazing Vinimay Private Limited with our Company, as approved by the High Court of Calcutta by order dated October 3, 2016, shareholders of Inforev Software Pvt. Ltd. were allotted equity shares of our Company in the ratio 1:3 and shareholders of Amazing Vinimay Private Limited were allotted equity shares in our Company in the ratio 7:4. Further, Mahabir Prasad Agarwal was allotted four Equity Shares for the fractional entitlement of the shareholders of Inforev Software Private Limited and one Equity Share for the fractional entitlement of the shareholders of Amazing Vinimay Pvt. Ltd.

(3) Pursuant to the scheme of amalgamation, of Jhawar Metacast & Engineers Pvt. Ltd. and Manush Vinimay Pvt. Ltd. with our Company, as approved by the High Court of Calcutta by order dated July 29, 2010, the shareholders of Jhawar Metacast & Engineers Pvt. Ltd. were allotted equity shares of our Company in the ratio 1:3, and the shareholders of Manush Vinimay Pvt. Ltd. were allotted equity shares of our Company in the ratio 1:1.

 # For the transfer of these Equity Shares, our Company is unable to locate relevant forms, corporate records or secretarial records, despite undertaking a comprehensive search of their corporate records . For details, please see "Risk Factors – Certain original records are not available and accordingly, alternate documents and records have been relied upon in relation to certain disclosures made in the Draft Red Herring Prospectus."

** Being the transfer date as per the scheme of amalgamation, as approved by the High Court of Calcutta on June 12, 2014, pursuant to which Avam Trades and Services Private Limited was merged with Subham Capital*

*** Being the transfer date as per the scheme of amalgamation, as approved by the High Court of Calcutta on June 3, 2014, pursuant to which Pitambar Commercial Company Private Limited, Shaily Sales and Services Private Limited and Conventary Commodeal Private Limited were merged with Narantak Dealcomm*

****Pursuant to the scheme of amalgamation between Sonata Traders Private Limited, Sonata Retails Private Limited, Sonata Dealtrade Private Limited and Kalpataru Housefin & Trading Private Limited, as approved by the National Company Law Tribunal by order dated November 16, 2018, all the properties, rights, interests, liabilities and duties were transferred from Sonata Traders Private Limited, Sonata Retails Private Limited, Sonata Dealtrade Private Limited to Kalpataru Housefin & Trading Private Limited, including Equity Shares, which were accordingly transmitted to Kalpataru Housefin & Trading Private Limited. The effective date of the scheme of amalgamation was April 1, 2017.*

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment or acquisition of such Equity Shares. Our Promoters have not pledged any of the Equity Shares that they hold in our Company.

(b) *Details of Promoters' contribution and lock-in*:

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

(ii) Details of the Equity Shares to be locked-in for three years from the date of Allotment as Promoters' Contribution are as follows:

Name	Date of transaction and when made fully paid-up	Nature of transaction	No. of Equity Shares	Face Value per Equity Share (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in	Percentage of post-Offer paid-up capital (%)*	Date up to which the Equity shares are subject to lock-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total						[●]		

**Subject to finalisation of basis of allotment*

(iii) Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoters' Contribution. Our Promoters have agreed not to 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.

(iv) 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:

- The Equity Shares offered for Promoters' Contribution do not include equity shares acquired in the three immediately preceding years (a) 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;

- 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 Offer;

- Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company 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; and

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

(c) *Other lock-in requirements:*

(i) In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by our Promoters and locked in for three years as specified above and the Equity Shares offered by the Selling Shareholders as part of the Offer for Sale, the entire pre-Offer Equity Share capital of our Company, except the Equity Shares held by persons, who are employees of the Company (whether currently employees or not) which have been allotted or will be allotted to them under Employees Stock Option Growth Plan 2018 and Employees Stock Option Loyalty Plan 2018 prior to the Offer, will be locked-in for a period of one year from the date of Allotment, including any unsubscribed portion of the Offer for Sale, in accordance with Regulations 16(b) and 17 of the SEBI ICDR Regulations.

(ii) Pursuant to Regulation 21 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions or a Systemically Important NBFC or a deposit accepting housing finance company as collateral security for loans granted by such entities, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans. Equity Shares locked-in as Promoters' Contribution for three years can be pledged only if in addition to fulfilling the aforementioned requirements, such loans have been granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer. However, such lock-in will continue pursuant to any invocation of the pledge and the transferee of the Equity Shares pursuant to such invocation shall not be eligible to transfer the Equity Shares until the expiry of the lock-in period stipulated above in terms of the SEBI ICDR Regulations.

(iii) In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters and locked-in pursuant to Regulation 16 of the SEBI ICDR Regulations for a period of three years, may be transferred amongst our Promoters and any member of the Promoter Group or a new promoter, subject to continuation of lock-in applicable to the transferee for the remaining period and compliance with provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**").

(iv) In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by persons other than our Promoters and locked-in pursuant to Regulation 17 of the SEBI ICDR Regulations for a period of one year from the date of Allotment, 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 applicable to the transferee and compliance with the provisions of the Takeover Regulations.

(v) 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.

(d) *Lock in of Equity Shares to be Allotted, if any, to Anchor Investors*

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

6. **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 Equity Shares underlying Depository Receipts (VI)	Total no. of Equity Shares held (VII) = (IV)+(V)+ (VI)*	Shareholding as a % of total no. of Equity 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 Voting Rights – Class: Equity	Number of Voting Rights held in each class of securities (IX) – No of Voting Rights – Class: Others	Number of Voting Rights held in each class of securities (IX) – No of Voting Rights – Total	Number of Voting Rights held in each class of securities (IX) – Total as a % of (A+B+C)	No. of Equity Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XII) – No. (a)	Number of Locked in Equity Shares (XII) – As a % of total Equity Shares held (b)	Number of Equity Shares pledged or otherwise encumbered (XIII) – No. (a)	Number of Equity Shares pledged or otherwise encumbered (XIII) – As a % of total Equity Shares held (b)	Number of Equity Shares held in dematerialized form (XIV)
(A)	Promoter & Promoter Group	15	233,610,100	-	-	233,610,100	100	233,610,100	-	233,610,100	100	-	100	-		-		233,610,100
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
	Total	**15**	**233,610,100**	**-**	**-**	**233,610,100**	**100.00**	**233,610,100**	**-**	**233,610,100**	**100.00**	**-**	**100**	**-**		**-**		**233,610,100**

Other details of Shareholding of our Company

(a) As of the date of the filing of this Draft Red Herring Prospectus, the total number of our Shareholders is 15.

(b) The details of our Shareholders holding 1% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis: (i) as on the date of this Draft Red Herring Prospectus; (ii) as of 10 days prior to the date of this Draft Red Herring Prospectus; (iii) as of the last Working Day one year prior to the date of this Draft Red Herring Prospectus; (iv) as of two years prior to the date of this Draft Red Herring Prospectus, are set out below:

S. No.	Name of the Shareholder	No. of Equity Shares	Percentage of pre-Offer paid-up capital (%)
1.	Subham Buildwell Private Limited	72,597,250	31.08
2.	Narantak Dealcomm Limited	54,063,340	23.14
3.	Subham Capital Private Limited	41,994,770	17.98
4.	Brij Bhushan Agarwal	23,284,820	9.97
5.	Kalpataru Housefin & Trading Private Limited	22,219,150	9.51
6.	Dorite Tracon Private Limited	15,196,665	6.51
	Total	**229,355,995**	**98.18**

7. **Details of Equity Shares held by our Directors, Key Management Personnel and directors of our Promoters and members of our Promoter Group**

(i) Set out below are details of the Equity Shares held by our Directors in our Company:

S. No.	Name	No. of Equity Shares held	Pre-Offer (%)	Post-Offer (%)	Number of employee stock options outstanding
1.	Brij Bhushan Agarwal	23,284,820	9.97	[●]	Nil
2.	Sanjay Kumar Agarwal	31,580	0.01	[●]	Nil
3.	Mahabir Prasad Agarwal*	2,525*	0.00**	[●]	Nil

** Pursuant to the scheme of amalgamation of Inforev Software Private Limited and Amazing Vinimay Pvt. Ltd. with our Company, as approved by the High Court of Calcutta by order dated October 3, 2016, Mahabir Prasad Agarwal holds four Equity Shares for the fractional entitlement of the shareholders of Inforev Software Private Limited and one Equity Share for the fractional entitlement of the shareholders of Amazing Vinimay Pvt. Ltd. Pursuant to the bonus issue of Equity Shares on June 20, 2018, the total Equity Shares held pursuant to such scheme of amalgamation and fractional entitlement now represents 25 Equity Shares.*
*** less than 0.01%*

(ii) Except for the Equity Shares held by our Directors, as stated above, there are no Equity Shares held by the Key Management Personnel in our Company.

(iii) Set out below are the details of the Equity Shares held by our Promoters, Promoter Group and the directors of our corporate Promoters in our Company:

Name of Shareholder	Pre-Offer Equity Share Capital		Post-Offer Equity Share Capital	
	No. of Equity Shares	% of total shareholding	No. of Equity Shares	% of total shareholding
Promoters				
Brij Bhushan Agarwal**	23,284,820	9.97		
Sanjay Kumar Agarwal**	31,580	0.01	[●]	[●]
Mahabir Prasad Agarwal**	2,525#	0.00*	[●]	[●]
Subham Buildwell Private Limited	72,597,250	31.08	[●]	[●]
Narantak Dealcomm Limited	54,063,340	23.14	[●]	[●]
Subham Capital Private Limited	41,994,770	17.98	[●]	[●]
Kalpataru Housefin & Trading Private Limited	22,219,150	9.51	[●]	[●]
Dorite Tracon Private Limited	15,196,665	6.51	[●]	[●]
Toplight Mercantiles Private Limited	698,750	0.30	[●]	[●]
Total holding of Promoters (A)	**230,088,850**	**98.49**	[●]	[●]

Name of Shareholder	Pre-Offer Equity Share Capital		Post-Offer Equity Share Capital	
	No. of Equity Shares	% of total shareholding	No. of Equity Shares	% of total shareholding
Promoter Group				
Brij Bhushan Agarwal (HUF)	2,250,000	0.96	[●]	[●]
Mittu Agarwal**	1,133,750	0.49	[●]	[●]
Kiran Vimal Agarwal	45,000	0.02	[●]	[●]
Sangeeta Agarwal	45,000	0.02	[●]	[●]
Anita Jhunjhunwala	45,000	0.02	[●]	[●]
Bajrang Lal Agarwal**	2,500	0.00*	[●]	[●]
Total holding of the Promoter Group (other than Promoters) (B)	**3,521,250**	**1.51**	[●]	[●]
Total holding of Promoters and Promoter Group (A + B)	**233,610,100**	**100.00**	[●]	[●]

** less than 0.01%*

 # Pursuant to the scheme of amalgamation of Inforev Software Private Limited and Amazing Vinimay Pvt. Ltd. with our Company, as approved by the Calcutta High Court by order dated October 3, 2016, Mahabir Prasad Agarwal holds 4 Equity Shares for the fractional entitlement of the shareholders of Inforev Software Private Limited and 1 Equity Share for the fractional entitlement of the shareholders of Amazing Vinimay Pvt. Ltd. Pursuant to the bonus issue of Equity Shares on June 20, 2018, the total Equity Shares held pursuant to such scheme of amalgamation and fractional entitlement now represents 25 Equity Shares.

*** These individuals are also Directors in our Promoters.*

All Equity Shares held by our Promoters, Promoter Group and the directors of our corporate Promoters are in dematerialised form as on the date of this Draft Red Herring Prospectus.

8. None of the BRLMs or their respective associates (determined as per the definition of 'associate company' under the Companies Act, 2013 and as per the definition of the term 'associate' under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

9. There are no partly paid up Equity Shares as on the date of this Draft Red Herring Prospectus and all Equity Shares were fully paid up as on the date of allotment. The Equity Shares to be issued or transferred pursuant to the Offer shall be fully paid up at the time of Allotment.

10. No person connected with the Offer, including, but not limited to, our Company, the Selling Shareholders, the members of the Syndicate, our Directors, Promoters or the members of our Promoter Group, shall offer in any manner whatsoever any incentive, whether direct or indirect, in cash, in kind or in services or otherwise to any Bidder for making a Bid. Further, no payment, direct or indirect benefit in the nature of discount, commission and allowance or otherwise, except for fees or commission for services rendered in relation to the Offer, shall be offered or paid either by our Company or our Promoters to any person in connection with making an application for or receiving any Equity Shares pursuant to this Offer.

11. Our Company, pursuant to resolutions passed by our Board and Shareholders on May 15, 2018 and June 11, 2018, respectively, has adopted the Employees Stock Option Growth Plan 2018. The aggregate number of Equity Shares, issued under the Employees Stock Option Growth Plan 2018, shall not exceed 175,000 Equity Shares. As on the date of this Draft Red Herring Prospectus, no employee stock options under the Employees Stock Option Growth Plan 2018 has been granted by our Company.

12. Our Company, pursuant to resolutions passed by our Board and Shareholders on May 15, 2018 and June 11, 2018, respectively, has adopted the Employees Stock Option Loyalty Plan 2018. The aggregate number of Equity Shares, issued under the Employees Stock Option Loyalty Plan 2018, shall not exceed 200,000 Equity Shares. As on the date of this Draft Red Herring Prospectus, no employee stock options under the Employees Stock Option Loyalty Plan 2018 has been granted by our Company.

13. None of the members of our Promoter Group, our Promoters, directors of our Promoters, our Directors or their relatives have 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.

14. Our Company, the Selling Shareholders, our Promoters, our Directors and the BRLMs have not entered into any buy-back arrangements or any similar arrangements for purchase of the Equity Shares to be issued as a part of the Offer.

15. Our Promoters, our Promoter Group and Group Companies will not participate in the Offer, except by way of participation as Selling Shareholders, as applicable, in the Offer for Sale.

16. Our Company shall ensure that transactions in the Equity Shares by our Promoters and the Promoter Group between the date of filing of the Draft Red Herring Prospectus with RoC and the date of closure of the Offer shall be intimated to the Stock Exchanges within 24 hours of such transaction.

17. There have been no financing arrangements whereby, our Promoter Group, our Directors, directors of our corporate Promoters, and their relatives have financed the purchase by any other person of securities of our Company, other than in the normal course of business during a period of six months preceding the date of filing of this Draft Red Herring Prospectus.

18. The Promoters and members of our Promoter Group will not receive any proceeds from the Offer, except to the extent of their participation as Selling Shareholders in the Offer for Sale.

19. The BRLMs and persons related to the BRLMs or Syndicate Members cannot apply in the Offer under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associates of the BRLMs, or insurance companies promoted by entities which are associates of the BRLMs or a FPI (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLMs.

20. Our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date. Except for the allotment of Equity Shares pursuant to the Fresh Issue, there will be no further issue of Equity Shares 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, until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc., as the case may be. Provided, however, that the foregoing restrictions do not apply to: (a) the issuance of any Equity Shares under the Offer; and (b) any issuance, offer, sale or any other transfer or transaction of a kind referred to above of any Equity Shares under or in connection with the exercise of any employee stock options under the Employees' Stock Option Growth Plan 2018 and Employees' Stock Option Loyalty Plan 2018, or similar securities, as disclosed in this Draft Red Herring Prospectus and as will be disclosed in the Red Herring Prospectus and the Prospectus, provided they have been approved by our Board.

21. Eligible Employees bidding in the Employee Reservation Portion must ensure that the Bid Amount does not exceed ₹ 500,000 (net of Employee Discount). Unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹ 200,000 (net of Employee Discount). In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for value exceeding ₹ 200,000 up to ₹ 500,000. Any unsubscribed portion remaining in the Employee Reservation Portion shall be added to the Net Offer to the public. For further details, please see the section entitled "*Offer Structure*" on page 351.

22. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

23. As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares, or any other right which would entitle any person any option to receive Equity Shares.

24. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

SECTION V: PARTICULARS OF THE OFFER

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue and an Offer for Sale.

The Offer for Sale

Other than listing fees, fees for any statutory audit (excluding fees for restatement of financial statements) and corporate and marketing expenses incurred in the ordinary course of business and consistent with past practice which will be paid by the Company and fees for the counsel to the Selling Shareholders, which shall be solely borne by the Selling Shareholders, all costs, fees and expenses (including all applicable taxes) with respect to the Offer shall be shared among the Company and the Selling Shareholders in proportion to the Equity Shares contributed by them in the Offer. Upon the successful completion of the Offer, the Selling Shareholders agrees that it shall reimburse the Company for any expenses incurred by the Company on behalf of the Selling Shareholders. For further details, please see " – *Offer Expenses*" on page 90.

The Fresh Issue

Our Company proposes to utilize the funds which are being raised through the Fresh Issue, after deducting the Offer related expenses to the extent payable by our Company with respect to the Fresh Issue (the "**Net Proceeds**"), towards funding the following objects (collectively, referred to herein as the "**Objects**"):

Our Company proposes to utilise the Net Proceeds from the Offer towards funding the following objects:

1. Repayment and/or pre-payment, in full or part, of debt of our Company and SSPL, one of our Subsidiaries; and

2. General corporate purposes.

In addition to the aforementioned objects, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges and enhancement of our Company's brand name and creation of a public market for our Equity Shares in India.

The main objects and objects incidental to the main objects as set out in the Memorandum of Association of our Company, and in the memorandum of association of our Subsidiary, SSPL, enables our Company and SSPL, respectively, to undertake the current business activities and the activities for which funds are being raised by our Company through the Offer.

Net Proceeds

The details of the proceeds of the Offer are summarised in the table below:

(in ₹ million)

Particulars	Amount
Gross proceeds	Up to 6,570.00
(Less) Offer related expenses[(1)]	[●]
Net Proceeds	**[●]**

(1) To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC

Requirement of funds, Utilization of Net Proceeds and Schedule of Implementation and Deployment

The Net Proceeds are currently expected to be deployed in accordance with the schedule set forth below:

(in ₹ million)

Particulars	Amount which will be financed from Net Proceeds[(1)]	Estimated Utilisation of Net Proceeds in Fiscal 2022
Repayment and/or pre-payment of debt of our Company and SSPL, one of our Subsidiaries	4,700.00	4,700.00
General corporate purposes[(1)]	[●]	[●]
Total	**[●]**	**[●]**

(1) To be finalised upon determination of Offer Price. The amount shall not exceed 25% of the gross proceeds of the Fresh Issue.

Means of Finance

Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business and strategy and external factors such as market conditions, competitive environment and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose which includes the planned reduction of the aggregate outstanding borrowings of our Company and SSPL, one of our Subsidiaries and other planned expenditures under general corporate purposes at the discretion of our management. Subject to applicable law, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds of the Fresh Issue in accordance with the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated costs of the Objects, 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 this Offer.

The above fund requirements are based on internal management estimates and current market conditions and have not been appraised by any bank or financial institution or other independent agency. These are based on current conditions and are subject to revisions in light of changes in external circumstances or costs, or our financial condition, business or strategy. For further details of factors that may affect these estimates, please see the section entitled "*Risk Factors*" on page 21.

The fund requirements set out below are proposed to be entirely funded from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Offer and existing identifiable internal accruals as required under the SEBI ICDR Regulations.

Details of the Utilization of the Net Proceeds

1. **Repayment and/or pre-payment of debt of our Company and SSPL, one of our Subsidiaries**

Our Company and our Subsidiary, SSPL, have entered into various financing arrangements with banks, financial institutions and others which include borrowings in the form of term loans, working capital facilities and other secured and unsecured loans. As on December 31, 2020, the amounts outstanding from the loan agreements (fund based) entered into by our Company and SSPL was ₹ 3,811.24 million and ₹ 3,986.01 million, respectively, aggregating to ₹ 7,797.25 million. As on December 31, 2020, the amounts outstanding from the loan agreements (non fund based) entered into by our Company and SSPL was ₹ 1,387.36 million and ₹ 2,379.38 million, respectively, aggregating to ₹ 3,766.74 million. For further details of these financing arrangements including the terms and conditions, please see the section entitled "*Financial Indebtedness*" on page 318.

Our Company intends to utilize the Net Proceeds aggregating up to ₹ 4,700.00 million towards full or part repayment and/or pre-payment of the following borrowings availed by our Company and SSPL. The selection of borrowings proposed to be repaid/pre-paid from our facilities provided is based on various factors, including (i) any conditions attached to the borrowings restricting our ability to pre-pay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of, such requirements, (ii) receipt of consents for pre-payment from the respective lenders, (iii) terms and conditions of such consents and waivers, (iv) levy of any pre-payment premium/penalties and the quantum thereof, (v) provisions of any law, rules, regulations governing such borrowings, and (vi) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan. Payment of pre-payment penalty/premium, if any, shall be made out of the Net Proceeds of the Offer. In the event that the Net Proceeds of the Offer are insufficient for the said payment of pre-payment penalty, such payment shall be made from the internal accruals of our Company or SSPL, as the case may be.

To the extent the Net Proceeds of the Offer are utilized to repay/pre-pay any of the loans availed by SSPL, we shall be deploying the Net Proceeds of the Offer in SSPL in the form of equity and /or debt or a combination thereof or in any other manner as may be mutually decided. The proportion of deployment in equity and /or debt has not been finalized as on the date of this Draft Red Herring Prospectus. For further details, please see "*Risk Factors - We may not be able to derive the expected benefits of the deployment of the Net Proceeds, in a timely manner, or at all.*" on page 36.

Given the nature of these borrowings and the terms of prepayment or repayment (earlier or scheduled), the aggregate outstanding borrowing amounts may vary from time to time. Further, the amounts outstanding under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits.

To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects of the Offer, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent fiscals towards the aforementioned objects.

We believe that such repayment/pre-payment will help reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a low debt equity ratio and enable utilization of our accruals for further investment in our business growth and expansion. In addition, we believe that this would improve our ability to raise further resources in the future to fund our potential business development opportunities. The details of the outstanding loans availed by our Company and SSPL which are proposed to be repaid/ pre-paid from the Net Proceeds are set out below.

Details of the outstanding loans availed by our Company which are proposed to be repaid/ pre-paid

S. No.	Name of the lender	Particulars of documentation	Amount Sanctioned (in ₹ million)	Amount outstanding as on December 31, 2020(1) (in ₹ million)	Interest Rate (% per annum)	Purpose(2)	Repayment Schedule	Pre-payment Penalty/ Conditions
1.	Bank of Baroda	Sanction letter dated July 18, 2020 Supplemental working capital consortium agreement dated February 18, 2020 and November 11, 2020 Deed of hypothecation dated February 18, 2020 and November 11, 2020	Fund Based: - Cash credit: 250.00 - WCDL: 250.00* -EPC/PCFC/FBP/FBD: 140.00*	222.97	1 year MCLR + 0.10%, per annum, or any other such higher rate stipulated by other participating bank(s) WCDL – tenor based MCLR EPC/PCFC/FBP/FBD : 1 year MCLR + SP +1.00% In Foreign Currency : Libor +175 bps	*Fund Based:* For working capital requirements of the Company	*Fund Based:* Repayable on demand, subject to annual renewal	Nil
2.	HDFC Bank Limited	Sanction letter dated September 09, 2020 Supplemental working capital consortium agreement dated February 18, 2020 and November 11, 2020 Deed of hypothecation dated February 18, 2020 and November 11, 2020	Fund Based: - Cash credit: 550.00 - WCDL: 550.00* -EPC/FBD/PCFC 550.00*	416.39	1 Year MCLR WCDL/EPC/FBD/PCFC As mutually decided at the time of disbursement	*Fund Based:* For financing working capital requirements of the business	*Fund Based:* Repayable on demand	Nil
3.	State Bank of India	Sanction letter dated December 05 , 2019 Supplemental working capital consortium	Fund Based: - Cash credit 690.00 WCDL/FCNB DL: 690.00 - EPC/ FBD/ PCFC/ EBR: 250.00*	540.25	*Fund Based: 1 Year MCLR* + 0.75% per annum PCFC – LIBOR + 50 bps	*Fund Based:* For meeting its working capital requirements	*Fund Based:* Repayable on demand	Nil

S. No.	Name of the lender	Particulars of documentation	Amount Sanctioned (in ₹ million)	Amount outstanding as on December 31, 2020[1] (in ₹ million)	Interest Rate (% per annum)	Purpose[2]	Repayment Schedule	Pre-payment Penalty/ Conditions
		agreement dated February 18, 2020 and November 11, 2020 Deed of hypothecation dated February 18, 2020 and November 11, 2020			FCNB DL 6 months libor +125 bps with hedging EPC/FBD 1Year MCLR + 0.55% per annum			
4.	Axis Bank Limited	Sanction letter dated February 12 , 2020 Supplemental working capital consortium agreement dated February 18, 2020 and November 11, 2020 Deed of hypothecation dated February 18, 2020 and November 11, 2020	Fund Based: - Cash credit/ WCDL: 600.00 - EPC/ FBP/ FBD/: 600.00* PCFC/PSCFC: USD 5.25 *	632.07	For cash credit: 3 months MCLR + 40 Bps WCDL – 1 month MCLR + 15 Bps EPC/FBP/FBD: 1 month MCLR + 15 Bps PCFC/PSCFC – 6 months libor + 50 bps	*Fund Based:* For financing working capital requirements of the business	*Fund Based:* Repayable on demand	Nil
5.	UCO Bank	Sanction letter dated September 03, 2020 Supplemental working capital consortium agreement dated November 11, 2020 Deed of hypothecation dated February 18, 2020 and November 11, 2020	Fund based: - Cash credit: 350.00* - WCDL: 300.00* - EPC/PCFC/PSCFC/: 350.00*	Nil	Cash credit: 1 year MCLR + 0.05% per annum WCDL - As decided by the bank at the time of disbursement PCFC libor + 1.55 bps EPC 6 months MCLR +1.00% per annum	*Fund Based:* For financing working capital requirements of the business	*Fund Based:* Repayable on demand	Nil

S. No.	Name of the lender	Particulars of documentation	Amount Sanctioned (in ₹ million)	Amount outstanding as on December 31, 2020[1] (in ₹ million)	Interest Rate (% per annum)	Purpose[2]	Repayment Schedule	Pre-payment Penalty/ Conditions
6.	ICICI Bank Limited	Sanction letter dated November 04 , 2019 Supplemental working capital consortium agreement dated February 18, 2020 and November 11, 2020 Deed of hypothecation dated February 18, 2020 and November 11, 2020	Fund Based: - Cash credit: 250.00 - WCDL/WCDL in FC/EPC/PCFC/PSFC /FUBD/FBP: 250.00*	261.44	Cash credit: 6 months' I MCLR + 0.35% per annum WCDL As decided by the bank at the time of disbursement EPC/PCFC /PSFC/FUBD/FBP: As decided by the bank at the time of disbursement	*Fund Based:* For financing working capital requirements of the business	*Fund Based:* Repayable on demand	Nil
7.	ICICI Bank Limited	Sanction letter dated November 23 , 2020 Short term loan facility agreement dated November 24, 2020	Fund Based: - Short Term Loan: 500.00	500.00	As decided by the bank at the time of disbursement	*Fund Based:* For financing working capital requirements of the business	*Fund Based:* Repayable on demand	1% prepayment premium on principle amount of the loan being prepaid subject to the borrower giving at least 15 Days prior irrevocable written notice.
8.	ICICI Bank Limited (ECB Loan)	Sanction letter dated June 4, 2012 and amendment in credit arrangement letter, dated September 20, 2012 Facility Agreement dated June 20, 2012 Deed of Hypothecation dated July 6, 2012 Indenture of Mortgage dated	ECB Facility: USD 5.00 million	60.40^	The rate of interest on each loan for each interest period is the percentage rate per annum which is the aggregate of the applicable margin and 6 month LIBOR**	To finance the project of setting up a wind power plant at Sangli, Maharashtra	Repayable in equal semi-annual instalments from September 30, 2013 up to March 20, 2022	With not less than15 days' prior written notice to the lender, the Company may prepay the whole or any part of the loan with a prepayment premium of 0.20% of the amount being prepaid, subject to certain conditions.

S. No.	Name of the lender	Particulars of documentation	Amount Sanctioned (in ₹ million)	Amount outstanding as on December 31, 2020[(1)] (in ₹ million)	Interest Rate (% per annum)	Purpose[(2)]	Repayment Schedule	Pre-payment Penalty/ Conditions
		November 27, 2012						
TOTAL (A)				**2633.52**				

** As a sub-limit of the cash credit facility*
*** The interest period commences on the date the facility is first drawn down and runs until the date falling 3 months from that date; and each subsequent interest period commences on the last day of the preceding interest period and runs until the date falling 3 months from the date of its commencement.*
^ As of December 31, 2020 1USD = ₹ 73.0536 (Source: RBI/FBIL)

(1) *As certified by S K Agrawal and Co Chartered Accountants LLP, pursuant to its certificate dated February 24, 2021*
(2) *As per the certificate dated February 24, 2021 issued by S K Agrawal and Co Chartered Accountants LLP, the facilities have been utilised for the purposes for which they were sanctioned.*

Details of outstanding loans availed by our Subsidiary, SSPL, proposed to be repaid/pre-paid

S. No.	Name of the lender	Particulars of documentation	Amount Sanctioned (in ₹ million)	Amount outstanding as on December 31, 2020[(1)] (in ₹ million)	Interest Rate (% per annum)	Purpose[(2)]	Repayment Schedule	Pre-payment Penalty/ Conditions
1.	Axis Bank Limited	Sanction letter dated November 26, 2019 Supplemental working capital consortium agreement dated February 18, 2020 and November 11, 2020 Deed of hypothecation dated February 18, 2020 and November 11, 2020	Fund Based: -Cash credit / WCDL: 450.00 - EPC/FBP/FBD: 450.00* PCFC/PSCFC – USD 5.25*	375.11	For cash credit: 3 months MCLR + 40 Bps WCDL – 1 month MCLR + 15 Bps EPC/FBP/FBD: 1 month MCLR + 15 Bps PCFC/PSCFC – 6 months libor + 50 bps	*Fund Based:* To meet working capital requirements	*Fund Based:* Repayable on demand	Nil
2.	Bank of Baroda	Sanction letter dated July 18, 2020 Supplemental working capital consortium agreement dated February 18, 2020 and November 11, 2020	Fund Based: - Cash credit: 250.00 - WCDL: 250.00* -EPC/PCFC/FBP/FBD: 250.00*	50.05	1 year MCLR + 0.10%, per annum, or any other such higher rate stipulated by other participating bank(s)	*Fund Based:* For working capital requirements of the Company	*Fund Based:* Repayable on demand, subject to annual renewal	Nil

S. No.	Name of the lender	Particulars of documentation	Amount Sanctioned (in ₹ million)	Amount outstanding as on December 31, 2020[1] (in ₹ million)	Interest Rate (% per annum)	Purpose[2]	Repayment Schedule	Pre-payment Penalty/ Conditions
		Deed of hypothecation dated February 18, 2020 and November 11, 2020			WCDL – tenor based MCLR EPC/PCFC/FBP /FBD : 1 year MCLR + SP +1.00% In Foreign Currency : Libor +175 bps			
3.	HDFC Bank Limited	Sanction letter dated September 14, 2020 Supplemental working capital consortium agreement dated February 18, 2020 and November 11, 2020 Deed of hypothecation dated February 18, 2020 and November 11, 2020	Fund Based: - Cash credit: 450.00 - WCDL: 450.00* -EPC/ PCFC: 450.00*	271.44	1 Year MCLR WCDL/EPC/FBD/PCFC As mutually decided at the time of disbursement	*Fund Based:* For financing working capital requirements of the business	*Fund Based:* Repayable on demand	Nil
4.	HDFC Bank Limited	Sanction letter dated November 23, 2020 Loan agreement dated November 24, 2020	Fund Based: Short term Loan : 250.00	250.00	*5% perm annum linked to repo rate*	*Fund Based:* To meet working capital requirements	Repayable on demand	As appicable
5.	ICICI Bank Limited	Sanction letter dated January 23, 2020 Supplemental working capital consortium agreement dated February 18, 2020 and November 11, 2020	Fund Based: - Cash credit: 350.00 - WCDL: 350.00* -EPC /PCFC/ PSFC: 350.00*	345.69	Cash credit: 6 months' I MCLR +0.35% per annum WCDL As decided by the bank at the time of disbursement EPC/PCFC /PSFC/FUBD/F	*Fund Based:* For meeting working capital requirements	*Fund Based:* Repayable on demand	. Nil

S. No.	Name of the lender	Particulars of documentation	Amount Sanctioned (in ₹ million)	Amount outstanding as on December 31, 2020[1] (in ₹ million)	Interest Rate (% per annum)	Purpose[2]	Repayment Schedule	Pre-payment Penalty/ Conditions
		Deed of hypothecation dated February 18, 2020 and November 11, 2020			BP: As decided by the bank at the time of disbursement			
6.	ICICI Bank Limited	Sanction letter dated November 23, 2020 Loan agreement dated November 24, 2020	Fund Based: Short term Loan : 500.00	300.00	As decided by the bank at the time of disbursement linked to Repo Rate + Spread p.a.	*Fund Based:* To meet working capital requirements	*Fund Based:* Repayable on demand	1% prepayment premium on principle amount of the loan being prepaid subject to the borrower giving at least 15 Days prior irrevocable written notice.
7.	State Bank of India	Sanction letter dated November 25, 2019 Supplemental working capital consortium agreement dated February 18, 2020 and November 11, 2020 Deed of hypothecation dated February 18, 2020 and November 11, 2020	Fund Based: - Cash credit/ WCDL: 790.00 - EPC/ FBD/ PCFC/ EBR: 250.00*	676.02	*Fund Based: 1 Year MCLR* + 0.75% per annum PCFC Libor +50 bps EPC/FBD : 1Year MCLR + 0.55% per annum	*Fund Based:* For meeting its working capital requirements	*Fund Based:* Repayable on demand	Nil
8.	UCO Bank	Sanction letter dated September 02, 2020 Supplemental working capital consortium agreement dated November 11, 2020 Deed of hypothecation dated February 18, 2020 and November 11, 2020	Fund based: - Cash credit: 350.00* - WCDL: 300.00* - EPC/PCFC/FBPSCFC: 350.00*	Nil	Cash credit: 1 year MCLR + 0.05% per annum WCDL - As decided by the bank at the time of disbursement PCFC libor + 1.55 bps EPC 6 months MCLR +1.00% per annum	*Fund Based:* To meet working capital requirements	*Fund Based:* Repayable on demand	Nil

S. No.	Name of the lender	Particulars of documentation	Amount Sanctioned (in ₹ million)	Amount outstanding as on December 31, 2020[(1)] (in ₹ million)	Interest Rate (% per annum)	Purpose[(2)]	Repayment Schedule	Pre-payment Penalty/ Conditions
9.	OLB Bank	Sanction Letter dated September 05, 2018 Credit Agreement dated June 05 , 2019	ECB Facility: Euro 18.60 million (equivalent in USD 22.86 million)	1203.65^	6 M Euribor +1.25% p.a.	To finance the project of setting up Aluminium Foil Mill including parts and related equipment	Starting 6 months from starting point or June 30, 2022 whichever is earlier	Subject to prior consent and breakage cost
TOTAL (B)				**3471.96**				
TOTAL OUTSTANDING (A + B)				**6105.48**				

** As a sub-limit of the cash credit facility*
^ As of December 31, 2020 1USD = ₹73.0536 (Source: RBI/FBIL)

(1) As certified by S K Agrawal and Co Chartered Accountants LLP, pursuant to its certificate dated February 24, 2021
(2) As per the certificate dated February 24, 2021 issued by S K Agrawal and Co Chartered Accountants LLP, the facilities have been utilised for the purposes for which they were sanctioned.

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 or repaid (earlier or scheduled), refinanced or further drawn-down prior to the completion of the Offer, we may utilise Net Proceeds of the towards prepayment or repayment (earlier or scheduled) of such additional indebtedness availed by us, details of which shall be provided in the Red Herring Prospectus.

As mentioned above, we propose to repay or pre-pay loans obtained by our Company and SSPL from Axis Bank Limited, ICICI Bank Limited and State Bank of India, from the Net Proceeds. While Axis Bank Limited, ICICI Bank Limited and State Bank of India are affiliates of the BRLMs Axis Capital Limited ICICI Securities Limited and SBI Capital Markets Limited, respectively, they are not associates of our Company in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 and such loans sanctioned to our Company and SSPL by Axis Bank Limited, ICICI Bank Limited and State Bank of India, have been sanctioned to our Company as part of the normal commercial lending activity by Axis Bank Limited, ICICI Bank Limited and State Bank of India. Accordingly, we do not believe that there is any conflict of interest under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, or any other applicable SEBI rules or regulations. For further details, please see "*Risk Factors – A portion of the Net Proceeds may be utilized for repayment or pre-payment of loans taken from Axis Bank Limited, ICICI Bank Limited and State Bank of India, which are affiliates of some of the Book Running Lead Managers.*" on page 35.

2. **General corporate purposes**

We will have flexibility in utilizing the balance Net Proceeds, if any, for general corporate purposes, subject to such utilisation not exceeding 25% of the gross proceeds of the Fresh Issue in accordance with the SEBI ICDR Regulations, including but not restricted towards strategic initiatives and acquisitions, investment in Subsidiaries, partnerships and joint ventures, funding initial stages of equity contribution towards our projects, funding growth opportunities, advertising and sales promotion activities across various platforms, increasing brand recognition among our existing and potential customers, payment of salaries, meeting day to day expenses, working capital requirements, part or full debt repayment, meeting expenses incurred in the ordinary course of business, meeting exigencies which our Company may face in the ordinary course of business, strengthening of our marketing and distribution capabilities and towards repayment and pre-payment penalty on loans as may be applicable. The quantum of utilisation of funds toward the aforementioned purposes will be determined by our Board based on the amount actually available under the head "General Corporate Purposes" and the corporate requirements of our Company.

In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any which are not applied to the other purposes set out above.

In addition to the above, our Company may utilize the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and approved periodically by the Board. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular object i.e., the utilization of Net Proceeds. In case of a shortfall in the Net Proceeds, our management may explore a range of options including utilizing our existing identifiable internal accruals or seeking debt from future lenders, subject to compliance with applicable laws. Our management expects that such alternate arrangements would be available to fund any such shortfall. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Financial Year, we will utilize such unutilized amount in the next Financial Year.

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 the Net Proceeds for the purposes described above, our Company will temporarily deposit the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, 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.

Bridge Financing Facilities

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.

Offer Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The Offer expenses include listing fees, fees payable to the BRLMs, underwriting fees, selling commission, legal counsel, advisors to the Offer, Registrar to the Offer, Bankers to the Offer including processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges. The break-up for the estimated Offer expenses are as follows:

Activity	Estimated expenses* (*in ₹ million*)	As a % of the total estimated Offer expenses*	As a % of the total Offer size*
Fees payable to the BRLMs (including underwriting commission, brokerage and selling commission payable to members of the syndicate)	[●]	[●]	[●]
Selling commission and processing fees for SCSBs (1)(2) and Bidding Charges(3)(4) for Members of the Syndicate, Registered Brokers, RTAs and CDPs	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Other expenses:	[●]	[●]	[●]
(i) Listing fees, SEBI filing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
(ii) Printing and stationery expenses, advertising and marketing expenses for the Offer and fees payable to the legal counsels	[●]	[●]	[●]
(iii) Other Advisors to the Offer	[●]	[●]	[●]
(iv) Miscellaneous (Listing fees, Audit Fees, Demat Charges, Others)	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

* *To be incorporated in the Prospectus after finalization of the Offer Price and is exclusive of all applicable taxes.*

(1) Selling commission payable to the SCSBs on the portion for Retail Individual Investors and portion for Non-Institutional Investors, which are directly procured by them would be as follows:

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

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*
No additional processing/uploading charges shall be payable by our Company to the SCSBs on the applications directly procured by them.

(2) Processing fees payable to the SCSBs on the portion for Retail Individual Investors, portion for Non-Institutional Investors, which are procured by the members of the Syndicate/Sub-Syndicate/Registered Brokers/RTAs/CDPs and submitted to SCSBs for blocking would be as follows:

Portion for Retail Individual Investors	*₹ [●] per valid Bid cum Application Forms* (plus applicable taxes)*
Portion for Non-Institutional Investors	*₹ [●] per valid Bid cum Application Forms* (plus applicable taxes)*

**Based on valid Bid cum Application Forms*

(3) Selling commission on the portion for Retail Individual Investors, the portion for Non-Institutional Investors which are procured by Syndicate Members (including their Sub-Syndicate Members) Registered Brokers, RTAs, CDPs would be as follows:

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

** Amount allotted is the product of the number of Equity Shares Allotted and the Offer Price.*
Bidding Charges: ₹ [●] (plus applicable taxes) per valid application bid by the Members of the Syndicate (including their sub-syndicate Members).

Note: The brokerage/selling commission payable to the Syndicate/sub-syndicate members will be determined on the basis of the ASBA Form number/series, provided that the application is also bid by the respective Syndicate/sub-syndicate member. For clarification, if an ASBA bid on the application form number/series of a Syndicate/sub-syndicate member, is bid for by an SCSB, the brokerage/selling commission will be payable to the SCSB and not to the Syndicate/sub-syndicate member. The brokerage/selling commission payable to the SCSBs, RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid book of either of the Stock Exchanges. The bidding charges payable to the Syndicate/sub-syndicate members will be determined on the basis of the bidding terminal ID as captured in the Bid book of the Stock Exchanges. Payment of brokerage/selling commission payable to the sub-brokers/agents of the sub-syndicate members shall be handled directly by the sub-syndicate members, and the necessary records for the same shall be maintained by the respective sub-syndicate member.

(4) Selling commission payable to the Registered Brokers, RTAs and CDPs on the portion for Retail Individual Investors, and portion for Non-Institutional Investors which are directly procured by the Registered Broker or RTAs or CDPs or submitted to SCSB for processing, would be as follows:

Portion for Retail Individual Investors	*₹ [●] per valid Bid cum Application Form* (plus applicable taxes)*
Portion for Non-Institutional Investors	*₹ [●] per valid Bid cum Application Form* (plus applicable taxes)*

** Based on valid Bid cum Application Forms*

Fees payable to the 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.

Amount of bidding charges payable to Registered Brokers, RTAs and CDPs shall be determined on the basis of applications which have been considered eligible for the purpose of Allotment. In order to determine to which Registered Broker/RTA/CDP, the commission is payable, the terminal from which the bid has been uploaded will be taken into account.

The selling commission or charges, as the case may be, payable to SCSBs, members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs is subject to finalization of the Basis of Allotment.

The Offer expenses shall be payable in accordance with the arrangements or agreements entered into by the Company with the respective Designated Intermediary.

Monitoring Utilization of Funds

Our Company shall appoint a Monitoring Agency for monitoring the utilization of Net Proceeds of the Offer prior to the filing of the Red Herring Prospectus. Our Board and the Monitoring Agency will monitor the utilization of Net Proceeds and submit its report to us in terms of Regulation 41 of the SEBI ICDR Regulations.

Pursuant to the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit and Risk Management Committees, the uses and application of the Net Proceeds. Additionally, the Audit and Risk Management Committees shall review the report submitted by the Monitoring Agency and 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 the Audit and Risk Management Committees. Such disclosure shall be made only till such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditors of our Company. Furthermore, in accordance with Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement including deviations, if any, in the utilization of the Net Proceeds of the Offer from the objects of the Offer 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 and Risk Management Committees. 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, 2013 and the SEBI ICDR Regulations, our Company shall not vary the objects of the Offer without our Company being authorised to do so by the Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Bengali, the vernacular language of the jurisdiction where our Registered and Corporate Office is situated. Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal, at a price and in such manner as may be prescribed by SEBI in accordance with the SEBI ICDR Regulations.

Other Confirmations

There are no material existing or anticipated transactions in relation to the utilization of the Net Proceeds with our Promoters, members of the Promoter Group, Directors, Group Companies or Key Managerial Personnel. No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, our Directors, our Key Management Personnel or Group Companies, except in the ordinary course of business. There are no existing or anticipated transactions in relation to the utilization of the Net Proceeds with the Promoters, Directors, Key Management Personnel, Associates or Group Companies.

BASIS FOR OFFER PRICE

The Price Band, Floor Price and Offer Price will be determined by our Company and the Selling Shareholders in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares issued 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 Offer Price is [●] times the Floor Price and [●] times the Cap Price of the Price Band. Investors should also see the sections entitled "*Our Business*", "*Risk Factors*" and "*Financial Information*" on pages 131, 21, and 210, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe the following business strengths allow us to successfully compete in the industry:

- Integrated operations across the steel value chain;
- Strategic location of our manufacturing plants supported by robust infrastructure leading to cost and time efficiencies;
- Diversified product mix with strong focus on value added products such as ferro alloys, association with reputed customers and robust distribution network;
- Strong financial performance and credit ratings; and
- Experienced Board and senior management team

For details, please see the section entitled "*Our Business – Our Competitive Strengths*" on page 132.

Quantitative Factors

Some of the information presented in this chapter is derived from the Restated Financial Statements. For further information, please see the section entitled "*Financial Information*" on page 210.

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

1. Basic and Diluted Earnings per Share (as adjusted for change in capital due to issue of bonus shares)

Fiscal / period ended	Basic EPS (₹)	Diluted EPS** (₹)	Weight
March 31, 2020	14.57	14.57	3
March 31, 2019	25.86	25.86	2
March 31, 2018	18.17	18.17	1
Weighted Average	**18.93**	**18.93**	
Nine month period ended December 31, 2020*	19.53	19.53	-

** Not Annualized*
Notes:

Basic EPS = Net Profit after tax, as restated, attributable to equity shareholders/ Weighted average no. of equity shares outstanding during the year
Diluted EPS = Net Profit after tax, as restated, attributable to equity shareholders/ Weighted average no. of diluted equity shares outstanding during the year.

2. Price/Earning ("P/E") Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at Floor Price (no. of times)	P/E at Cap Price (no. of times)
Based on basic EPS of ₹ [●] as per the Restated Financial Statements for the year ended March 31, 2020	[●]	[●]
Based on diluted EPS of ₹ [●] as per the Restated Financial Statements for the year ended March 31, 2020	[●]	[●]

Industry Peer Group P/E ratio

Particulars	P/E	Name of the company	Face value of equity shares (₹)
Highest	57.38	Tata Steel Limited	10
Lowest	12.63	Steel Authority of India Limited	10
Average	**35.01**		

Notes:

(1) The highest and lowest industry P/E shown above is based on the peer set provided below under "Comparison with listed industry peers". The industry average has been calculated as the arithmetic average P/E of the peer set provided below. For further details, see "*- Comparison with listed industry peers*" hereunder.
(2) P/E figures for the peer are computed based on closing market price as on February 12, 2021 on BSE, divided by Basic EPS (on consolidated basis) based on the annual report of the company for the Financial Year 2020.

3. Return on Net Worth ("RoNW")

Fiscal/period ended	RoNW (%)	Weight
March 31, 2020	12.04	3
March 31, 2019	24.27	2
March 31, 2018	22.89	1
Weighted Average	**17.93**	
Nine month period ended December 31, 2020*	13.89	-

** Not annualized*

Note:
Return on Net Worth (%) = Net Profit after tax, as restated, / Net worth at the end of the period

4. Net Asset Value ("NAV")

Net Asset Value per Equity Share	(₹)
As on December 31, 2020	140.63
As on March 31, 2020	120.97
After the Offer	
-At the Floor Price	[●]
-At the Cap Price	[●]
-At the Offer Price	[●]

Notes:

Net Asset Value per share = Net Worth at the end of the year / Total number of equity shares outstanding at the end of year

6. Comparison with listed industry peers

Following is the comparison with our peer group companies listed in India and in the same line of business as our Company:

Name of the company	Consolidated	Face value (₹ per share)	Closing price on February 12, 2021 (₹)	Total Revenue (in ₹ million)	EPS (₹) Basic	EPS (₹) Diluted[(1)]	NAV[(2)] (₹ per share)	P/E[(3)]	RoNW[(4)] (%)
Company[#]	Consolidated	10	-	43,953.02	14.57	14.57	120.97	-	12.04
Peer Group									
Tata Steel Limited	Consolidated	10	680.50	14,16,601	11.86	11.86	640.52	57.38	1.54
JSW Steel Limited	Consolidated	1	404.20	7,38,720	16.78	16.67	150.41	24.25	10.87
Steel Authority of India Limited	Consolidated	10	64.80	6,25,700	5.13	5.13	100.58	12.63	5.11
Jindal Steel & Power Limited	Consolidated	1	308.30	3,69,437	(1.08)	(1.08)	310.62	NA	(1.28)
Tata Steel Long Products Limited	Consolidated	10	657.00	35,713	(142.81)	(142.81)	452.16	NA	(25.59)

Source: *The data included in the above table is sourced from website of BSE.*

(1) Diluted EPS refers to the Diluted EPS sourced from the publicly available financial results of the respective company for the year ended March 31, 2020.
(2) Net Asset Value (NAV) is computed as Total equity as of March 31, 2020 divided by the number of equity shares outstanding at the end of the year.
(3) P/E Ratio has been computed based on the closing market price of equity shares on the BSE as of February 12, 2021, divided by the Diluted EPS provided under Note 1 above.
(4) Return on Net Worth for equity shareholders (%) (RONW) = Total income/ Total equity.

The trading price of the Equity Shares could decline due to the factors mentioned in the section entitled "*Risk Factors*" on page 21 and any other factors that may arise in the future and you may lose all or part of your investments.

The Offer Price of ₹ [●] has been determined by our Company and the Selling Shareholders, in consultation with the BRLMs, on the basis of the demand from investors for the Equity Shares through the Book Building Process. Our Company and the Selling Shareholders, in consultation with the BRLMs, is justified of the Offer Price in view of the above qualitative and quantitative parameters. Investors should read the abovementioned information along with the sections entitled "*Risk Factors*", "*Our Business*" and "*Financial Information*" on pages 21, 131 and 210, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the section entitled "*Risk Factors*" or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

The Board of Directors,
Shyam Metalics and Energy Limited
Trinity Tower, 7th Floor, 83, Topsia Road,
Kolkata – 700046, West Bengal, India
(the "**Company**")

Dear Sirs,

Re: Proposed initial public offering of equity shares of face value of Rs. 10 each (the "Equity Shares" and such offering, the "Offer") of 'Shyam Metalics and Energy Limited' (the "Company")

We report that the enclosed statement in the **Annexure**, states the possible special tax benefits under direct and indirect tax laws presently in force in India, available to the Company and its shareholders. and to its material subsidiaries identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended being Shyam Sel and Power Limited (such entity referred to as "**Material Subsidiary**"). Several of these benefits are dependent on the Company or its shareholders or its Material Subsidiary as the case may be, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders or its Material Subsidiary to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its shareholders and its Material Subsidiaries faces in the future, the Company and its shareholders and its Material Subsidiary may or may not choose to fulfill.

The benefits discussed in the enclosed **Annexure** are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. Neither are we suggesting nor advising the investor to invest in the Offer based on this statement.

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

(i) the Company or its shareholders or its Material Subsidiary will continue to obtain these benefits in future; or
(ii) the conditions prescribed for availing the benefits have been/would be met with; or
(iii) the revenue authorities will concur with the views expressed herein.

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

We hereby give consent to include this statement of special tax benefits in the draft red herring prospectus, red herring prospectus, prospectus and in any other material used in connection with the Offer (together, the "**Offer Documents**").

This certificate is issued for the sole purpose of the Offer, and can be used, in full or part, for inclusion in the Offer Documents, and for the submission of this certificate as may be necessary to the Securities and Exchange Board of India ("SEBI") the BSE Limited and the National Stock Exchange of India Limited (together, the "Stock Exchanges"). / and the Registrar of Companies, West Bengal, ("ROC") and any other statutory/regulatory authority as may be required and for the records to be maintained by the Lead Managers in connection with the Offer and in accordance with applicable law and for the purpose of any defense the Book Running Lead Managers may wish to advance in any allegations or proceedings before any statutory or regulatory authority or a court of law in connection with Offer.

This certificate may be relied on by the Lead Managers, their affiliates and legal counsel in relation to the Offer.

We undertake to update you in writing of any changes in the abovementioned position until the date the Equity Shares issued pursuant to the Offer commence trading on the stock exchanges. In the absence of any communication from us till the Equity Shares commence trading on the stock exchanges, you may assume that there is no change in respect of the matters covered in this certificate.

Yours faithfully,

For and on behalf of **S K Agrawal and Co Chartered Accountants LLP**
Firm Registration Number**:** 306033E/E300272

Authorized signatory
Name: Vivek Agarwal
Designation: Partner
Membership Number: 301571
UDIN: 21301571AAAACX2541

Place: Kolkata
Date: February 24, 2021

Encl: As above

ANNEXURE

Statement of tax benefits available to Shyam Metalics And Energy Limited ('the Company') and its material subsidiary Shyam Sel and Power Limited

1. Tax holiday under section 80IA of the Income-tax Act, 1961 (the "Act")

The following specific Income tax benefits may be available to the Company after fulfilling conditions as per the respective provisions of the relevant tax laws on certain eligible projects:
In accordance with and subject to the conditions specified in Section 80-IA of the Act, the Company may be entitled for a deduction of an amount equal to hundred percent of profits or gains derived from any enterprise carrying on business of (i) developing or (ii) operating and maintaining or (iii) developing, operating and maintaining any infrastructure facility or (iv) generating or distributing or transmission of power, for any ten consecutive assessment years out of fifteen years beginning from the year in which the enterprise has started its operation. For the words "fifteen years", the words "twenty years" has been substituted for the following infrastructure facility –

a) A road including toll road, a bridge or a rail system.
b) A highway project including housing or other activities being an integral part of the highway project.
c) A water supply project, water treatment system, irrigation project, sanitation and sewerage system or solid waste management system.
d) A port, airport, Inland waterway, inland port or navigational channel in the sea.

The deduction shall not available in respect of development or operation and maintenance or development, maintenance and maintenance of an infrastructure facility under a works contract awarded by any person (including the Central or State Government).
The deduction shall not be available to an enterprise which starts the development or operation and maintenance of the infrastructure facility on or after April 1, 2017.
Further, the additional conditions for claiming deduction under this section for a business of developing or operating and maintaining or developing, operating and maintaining, any infrastructure facility are mentioned below:

a) it is owned by a Company registered in India or by a consortium of such companies or by an authority or a board or a corporation or any other body established or constituted under any Central or State Act;
b) it has entered into an agreement with the Central Government or a State Government or a local authority or any other statutory body for:
   i) developing or
   ii) operating and maintaining or
   iii) developing, operating and maintaining a new infrastructure facility;
c) it has started or starts operating and maintaining the infrastructure facility on or after the April 1, 1995.

However, the aforesaid deduction is not available while computing Minimum Alternative Tax ("MAT") liability of the Company under Section 115JB of the Act. Nonetheless, such MAT paid/ payable on the adjusted book profits of the Company computed in terms of the provisions of Act, read with the Companies Act, 2013 would be eligible for credit against tax liability arising in succeeding years under normal provisions of Act as per Section 115JAA of the Act to the extent of the difference between the tax as per normal provisions of the Act and MAT in the year of setoff. Further, such credit would not be allowed to be carried forward and set off beyond 15 assessment years immediately succeeding the assessment year in which such credit becomes allowable**.**

2. Deductions from Gross Total Income - Section 80 JJAA of the Act - Deduction in respect of employment of new employees

Subject to fulfilment of prescribed conditions, the Company is entitled to claim deduction, under the provisions of Section 80JJAA of the Act, of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

Special Tax Benefits to the Shareholders of the Company

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

SECTION VI: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

Unless noted otherwise, the information in this section is obtained or extracted from "Market Assessment and Outlook across Steel Industry value chain" dated February 2021 prepared and released by CRISIL Research, a division of CRISIL Limited, and commissioned by our Company in connection with the Issue. Neither CRISIL 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.

INDIAN MACRO-ECONOMIC REVIEW

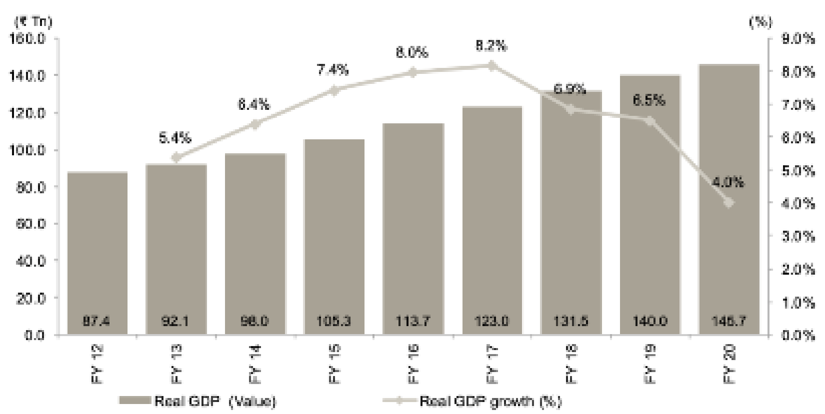
India Gross Domestic Product ("GDP") trend

GDP logged 6.6% CAGR over eight years starting Fiscal12

In 2015, the Union Ministry of Statistics and Programme Implementation ("**MoSPI**") changed the base year for calculating India's GDP to Fiscal 2012 from Fiscal 2005. Based on this, India's GDP is estimated to have grown at a compounded annual growth rate ("**CAGR**") of 6.6% between Fiscal 2012 and Fiscal 2020, to ₹ 145.6 trillion.

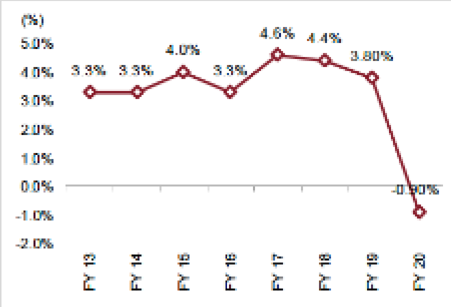
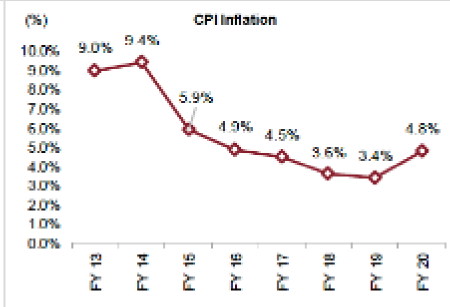
However, in Fiscal 2020, year-on-year GDP growth declined consecutively for the third year. It decreased from 6.5% in Fiscal 2019 to 4.0% in Fiscal 2020. COVID-19 pandemic added pressure on already slowing Indian economy and the slowest pace for India's GDP expansion since eleven years for the fourth quarter and Fiscal 2020, was observed. The slowdown is primarily attributable to relatively lower growth in mining and quarrying, manufacturing and financial services. The growth rates of primary sector, secondary sector and tertiary sector have been estimated as 3.3%, (1.1)% and 7.2% as against growth of 2.2%, 5.8% and 7.2%, respectively, in the previous year. Gross fixed capital formation ("**GFCF**"), also slowed done to grow at 5.4% in Fiscal 2020.

Real GDP growth in India (2011-12 series)



FY18 – Third revised estimates; FY19 – Second revised estimates

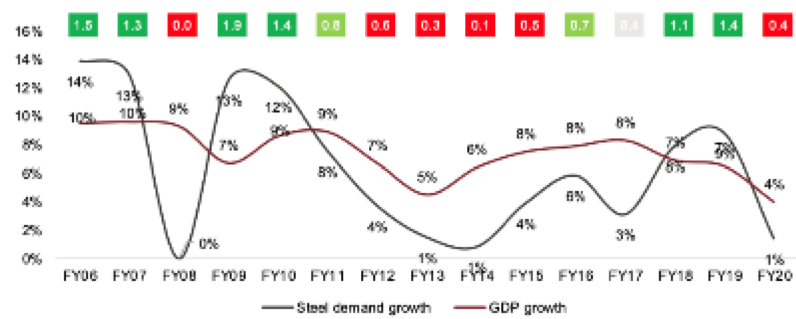
Source: Provisional Estimates of Annual National Income, 2019-20, MoSPI National Statistical Office (NSO), CRISIL Research

Trend in IIP Growth:	Trend in Inflation
	
Source: CSO, CRISIL Research	

Correlation of steel demand growth with GDP growth

Steel demand is closely related with GDP growth, with steel demand to GDP growth multiplier varying across phases. After lagging India's GDP growth since 2012 to 2013, steel demand growth outpaced macro-economic growth in Fiscal 2018 and Fiscal 2019. 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).

Steel demand growth vs GDP growth



Note: Figures in boxes represent steel demand growth to GDP Growth multiplier.
Source: CRISIL Research, Industry

Highlight of Budget 2021 to 2022 – Going for Growth

Growth centric and expansionary budget

This is a growth centric and expansionary budget which focuses on improving India's mid-term growth trajectory. Spending will continue despite limited tax revenue, and the focus is clearly on stimulating growth after the pandemic shock. While this implies higher than anticipated fiscal deficit and borrowings (fiscal deficit for Fiscal 2021 pegged at 9.5% of GDP and targeted for 6.8% for Fiscal 2022), and therefore adds an upside risk to interest rates, the quality of spending will improve.

The capital expenditure allocation for Fiscal 2022 has been increased by 26% on year, with sharp focus on infrastructure. Apart from higher capital expenditure, one can see a three pronged-approach to infrastructure, where the budget lays out the institutional mechanism, front-ends spending, and catalyses private sector capital through asset monetization. Reduced dependence on Internal and Extra Budgetary Resources ("**IEBR**") – essentially off-balance sheet financing done through public sector and government entities, such as, National Highways Authority of India for funding capital expenditure is positive.

- Higher allocation for roads and highways by 16% relative to Fiscal 2021 revised estimate ("**RE**") will increase capital expenditure; while railways spending is approximately 1.2% lower than Fiscal 2021 RE, it will be 53% more than Fiscal 2021 budgetary estimate ("**BE**").
- Increase in the National Infrastructure Pipeline ("**NIP**") from 6,835 to 7,400 projects cumulatively amounting to ₹ 132 lakh crore till Fiscal 2025.

The focus on domestic manufacturing is evident in higher customs duty for performance linked incentive ("**PLI**")-linked segments.

In the overall budget growth story there is clearly a focus towards the eastern regions of India with specific expenditure planned for augmentation of road infrastructure.

- 675 km of highway works in the state of West Bengal at a cost of ₹ 25,000 crores including upgradation of existing road-Kolkata – Siliguri.
- National Highway works of around ₹ 19,000 crores are currently in progress in the State of Assam. Further, works of more than ₹ 34,000 crores covering more than 1300 kilometres of National Highways proposed to be undertaken in the state in the coming three years.

The monetary policy committee's decision to maintain the policy rates and accommodative stance in February's monetary policy review is on expected lines as economic recovery, while exceeding initial expectations, remains nascent and needs continued support.

Increased fiscal deficit of the central government may not pose a threat to the inflation trajectory envisaged by the RBI as the economy remains below potential and capacity utilisation remains low (63.3% at the end of the second quarter of Fiscal 2021). Further, inflationary pressures do exist on account of (a) high commodity prices, including surge in crude oil prices, which along with the taxation impact would mean higher fuel inflation, and (b) stickiness in core inflation, which could persist as the economy recovers. Overall, this means the inflation path still needs to be carefully watched. Fiscal 2022 CPI inflation is estimated at 5.0%, from an estimated 6.4% (with risks tilted to downside) for Fiscal 2021. Given the current situation, a status quo along with unconventional support is likely to extend into the next monetary policy as well.

Government's impetus on infrastructure to drive double digit steel demand growth in Fiscal 2022

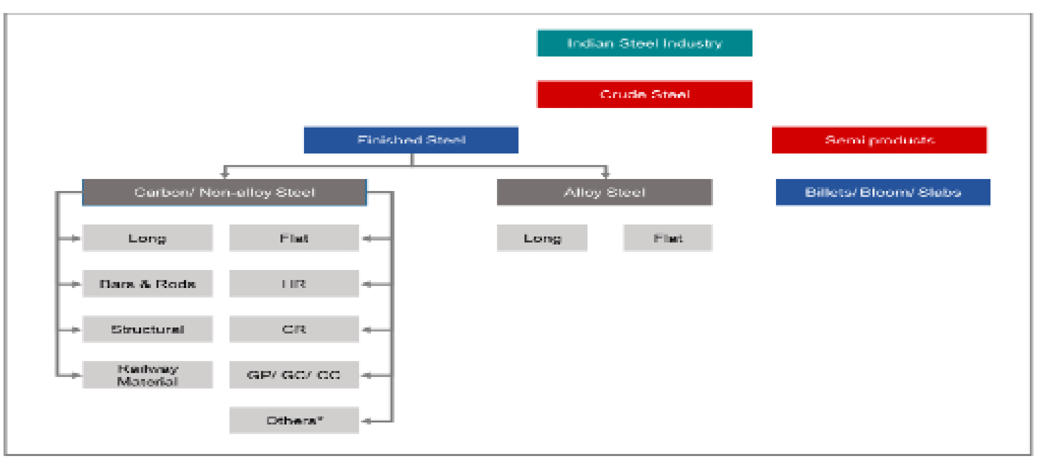
The budgetary proposals are expected to have a positive impact on the overall domestic steel demand:

- Capital expenditure budget'ed to increase 34.5% to ₹ 5.54 lakh crores;
- Anti-dumping duty ("**ADD**") on import of certain steel products temporarily revoked;
- Customs duty on flat, long and semi-finished steel slashed to a uniform 7.5%; and
- Customs duty on steel scrap (included stainless) exempted up to March 2022, versus 2.5% earlier.

The impetus given to infrastructure segment, which accounts for approximately 30% of steel demand, will increase the demand for the metal in Fiscal 2022. Reduction of import duty on finished and semi-finished products to 7.5% from 10% to 12.5% is expected to have limited impact on the industry. Landed cost of imported steel will likely fall 2% to 4% (keeping all the other variables constant), while domestic steel prices are already at a discount of 6% to 8% of landed price. In addition, 55% of India's import are from the free trade agreement economies, such as, Japan and Korea. Exemption of customs duty on imports will reduce landed scrap cost for electric-arc/ induction furnace players by 2.5% thereby expanding their spreads. Typically, steel scrap is used by these secondary steel producers in a 40% to 45% blending mix along with sponge and pig iron.

INDIAN STEEL INDUSTRY OVERVIEW

Structure of the Indian Steel Industry



*Note: * - Others include electric sheets, tinplate, pipes etc.*
Source: CRISIL Research, Industry

Types/definition of steel:

By Products

- **Long products:** Finished long steel products are normally produced by hot rolling/forging of bloom/ billets/ pencil ingots into useable shape/ 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, CTD/TMT, wire rod, angles, shapes and sections.

- **Flat products**: Flat products are produced from slabs/thin slabs in rolling mills using flat rolls. Flat products comprise hot rolled ("**HR**"), cold rolled ("**CR**") strips and coated products. Hot rolled flat products are produced by re-rolling of slabs/thin slabs at high temperatures (above 1,000 degree C) in plate mills or in hot strip mills. CR strips are produced by cold rolling of HR strips in cold rolling mills (normally at room temperature). CR strips/sheets are characterised by lower thickness, better/bright finish, closer dimensional tolerance and specific mechanical/metallurgical properties.

By composition

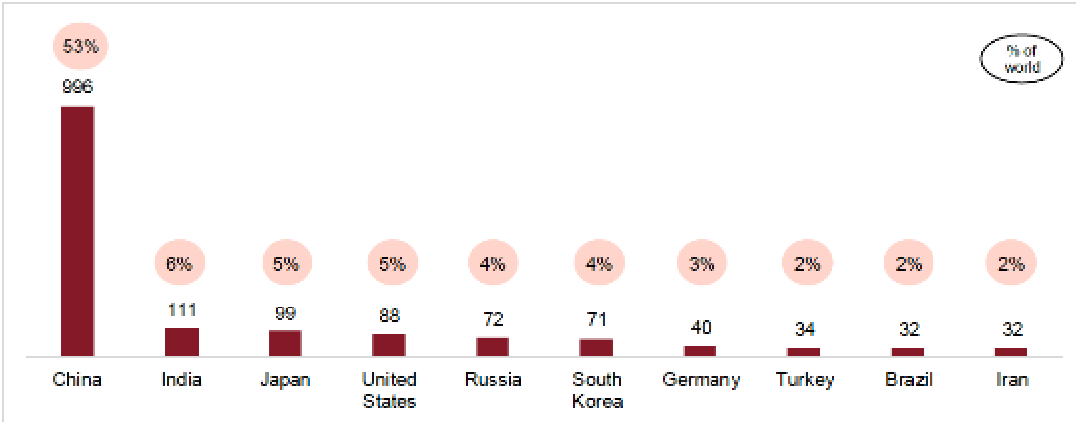
- **Alloy steel**: Steel that is produced with one or more elements in a specified proportions to impart specific physical, mechanical, metallurgical and electrical properties is known as alloy steel. Alloy steel comes in different grades, which have varying proportions of carbon and other elements. Common elements used to make alloys include manganese, silicon, nickel, lead, copper, chromium, tungsten, molybdenum, niobium and vanadium. Key uses of alloy steel include magnets, heavy duty railway crossings, high speed drill tips, surgical instruments, high speed tool steel, cutting and drilling tools.

- **Non-alloy steel**: Non-alloy or carbon 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.

Indian Steel demand in global context

India is the second largest producer of steel in the world with nearly 6% share of global steel production.

Country-wise crude steel production in 2019 for major countries (in MT)



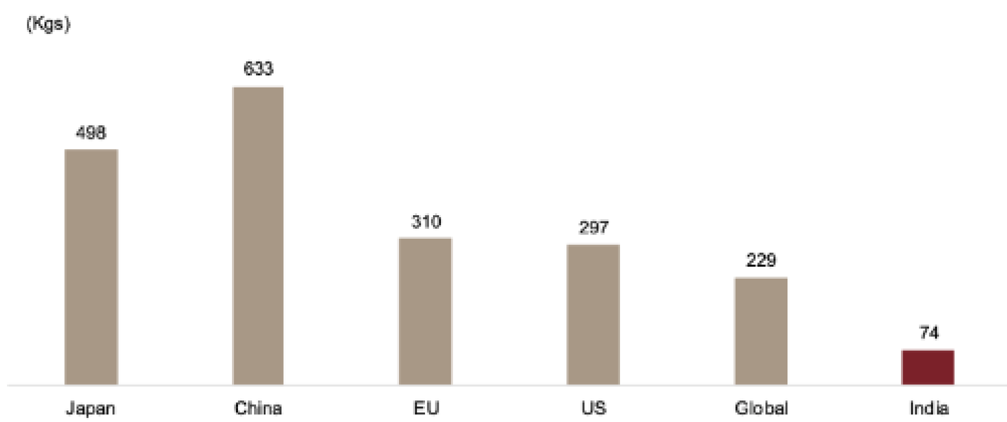
Note: Data for 2019

Source: World Steel Association

Note: Please note that MT refers to Million Tonnes in the document, unless stated otherwise

Over the last decade, India steel demand growth has outpaced world's average except for a brief period from 2010 to 2013 that was impacted by slowdown in key end-use segments in the domestic market. However, post 2013, domestic demand has invariably exceeded global demand which was marred by slowdown in China (which accounts for half of global steel demand). In contrast India's steel demand growth has remained modest driven by soft growth in auto and building and construction ("**B&C**") segments. As per World Steel Association, global steel demand is expected to contract by 2.4% in 2020 and drop to global steel 1.725 billion tonnes due to the Covid-19 crisis. However, demand is expected to recover to 1.795 billion tonnes and grow 4.1% in 2021. As per CRISIL Research, post 2019, global steel demand is expected to grow approximately 0.2% CAGR through 2024.

Per capita Steel usage in India vis-à-vis global benchmarks (estimated):



Note: Nos. for 2019

Source: World Steel Association

Indian Steel sector growth

Post moderate growth cycles since 2012, India's steel demand exhibited swift comeback with vigorous growth of 8% to 9% on-year in Fiscal 2018. However, demand momentum slowed down to 1.4% in Fiscal 2020 with the COVID-19 pandemic set to dampen demand prospects from automobile, construction and capital goods segment.

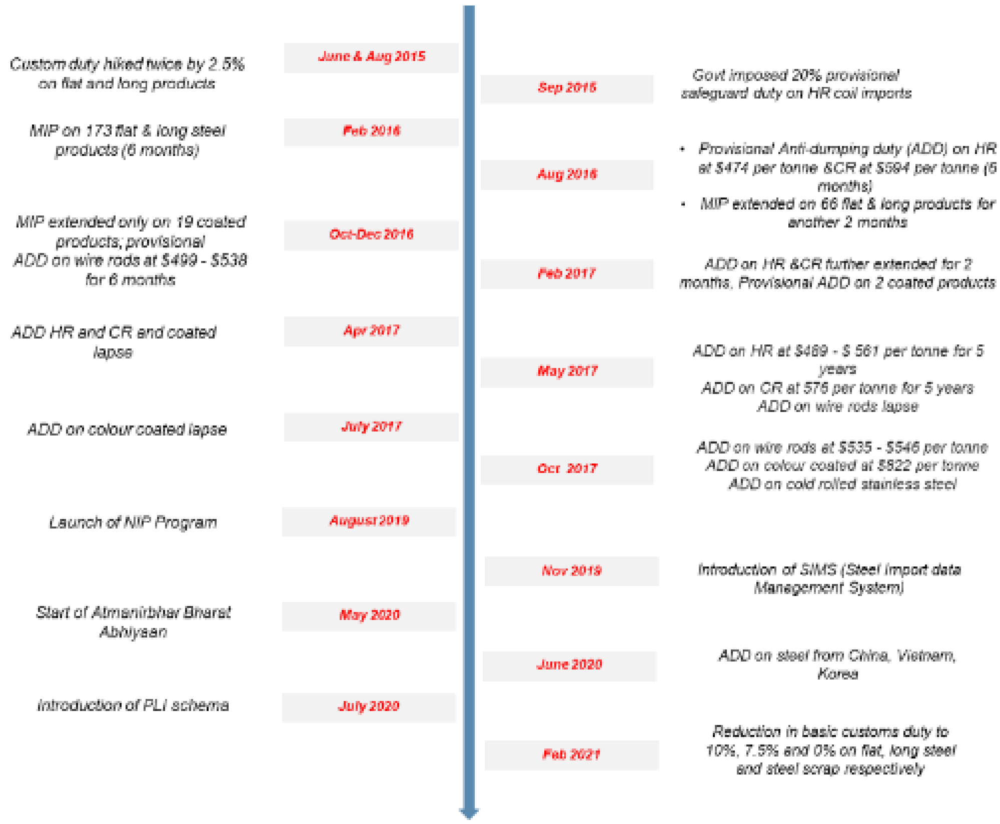
Going ahead, CRISIL forecasts steel demand to continue its strong stride at 5% to 6% CAGR through Fiscal 2025 supported by:

- Soft revival in housing sector in the medium term led by affordable housing, rural housing and commercialization of tier III/IV cities. On the other hand, growth in industrial segment is expected to remain muted;
- Infrastructure projects in metro, road, and urban infra space (which are more steel intensive); and

- Automotive industry has begun to recover post a drop in growth of 12% to 14% in Fiscal 2021 due to COVID-19 outbreak. The sector, however, recently witnessed uptick in demand post August 2020 and has given green shoots to the sector.

Government regulations to promote Indian Steel Industry

Import duty: India steel imports surged sharply from 5.5 MTPA in Fiscal 2014 to 11.7 MTPA in Fiscal 2016 which led to the government imposing several safeguard measures. With installed capacities outpacing demand growth in the domestic market (capacity addition of approximately 25 MT against incremental demand of approximately 8 MT during Fiscal 2013 to Fiscal 2016 period), along with looming threat of imports, the government had to intervene in order to safeguard domestic suppliers' interest.



The aforementioned measures were able to curtail imports which declined from 11.7 MTPA in Fiscal 2017 to around 7 to 7.5 MTPA in recent two years However, in recent times, imposition of anti-dumping duty is no longer relevant given the fact that global as well as domestic HRC prices are lingering way above the anti-dumping duty.

1. **Export tax on iron ore:** The government has also imposed export duty on key raw materials in order to ensure supply of raw material for the industry at competitive prices.

	Export duty
Iron ore (with Fe content more than 58%)	30%
Iron ore (with Fe content less than 58%)	10%

Source: Central board of Excise and customs

Government policy:

National Steel Policy ("**NSP**"), approved in May 2017 , by Union Cabinet, seeks to enhance domestic steel consumption, ensure high quality steel production, and create a technologically advanced and globally competitive steel industry.

Vision on demand, supply and trade in the NSP

- Increase consumption of steel across major segments of infrastructure, automobiles, and housing, resulting in a potential rise in per capita steel consumption to 158 kg by 2030 from approximately 61 kg in Fiscal 2016.
- Achieve 300 MTPA of steel-making capacity by 2030 through additional investments of ₹ 10 lakh crore by 2030 to 2031.

- Domestically produce steel for high-end applications - electrical steel ('CRGO'), special steel and alloys for power equipment, aerospace, defence, and nuclear applications
- Reduce reliance on imports to nil and export approximately 24 MTPA of steel by 2030.

Vision on raw materials access and development of cost effective advanced technology

- Ensure availability of raw materials such as iron ore, coking coal and non-coking coal, natural gas, at competitive rates through policy measures and asset acquisitions.
- Raise availability of washed coking coal to reduce import dependence on it to 65% by 2030 to 2031 (from 85% at present).
- Focus on pelletisation, through investment in slurry pipelines and conveyors.
- Emphasis on increasing share of blast furnace ("**BF**") route to 60% to 65% by 2030 of the crude steel capacity and production with remaining 35% to 40% by electric arc furnace and induction furnace route in 2030 to 2031.
- Adoption of energy efficient technologies in the micro, small and medium enterprise steel sector, to improve overall productivity and reduce energy intensity.

National Steel Policy serves as a long-term policy goal aimed at creating incremental demand and augment steel exports. On the supply side, it aims to set up additional capacity, increase production and self-sufficiency (by minimising imports) and remove procedural and policy bottlenecks in the availability of raw material. The policy aims at increasing export penetration and annulling imports. Focus is laid on cost efficient production through BF-BOF route.

NSP 2017 was preceded by National Steel Policy 2005 whereby the targets set for Fiscal 2020 were well exceeded by the Indian steel industry. However, the decrease of growth in demand in Fiscal 2021 on the back of the COVID-19 pandemic is expected to serve as a major roadblock for achieving the targets set for Fiscal 2031 under NSP 2017. The key assumptions underlying the growth assumption pertaining to an on year GDP growth of 7.5% would need a reassessment in the near future to revise the planned targets.

Historical trend and NSP vision of Indian steel Industry

Parameter	National Steel Policy 2005		Estimates FY 25	National Steel Policy 2017
	FY20 (Target)	FY20 Actuals	*CRISIL Research Estimates*	FY31 (Target)
Crude steel capacity	110	142	163	300
Crude Steel production	110	109.2	132	255
Finished Steel demand	90	100.1	130	230
Finished Steel import	6	6.8	4.5	0
Finished Steel export	26	8.4	7.5	24

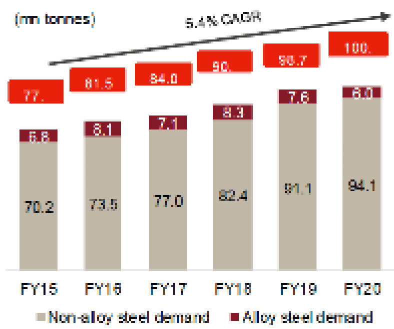
Source: CRISIL Research, NSP 2005, 2017

STEEL MARKET VALUE CHAIN ASSESSMENT

Demand review and outlook: Steel products

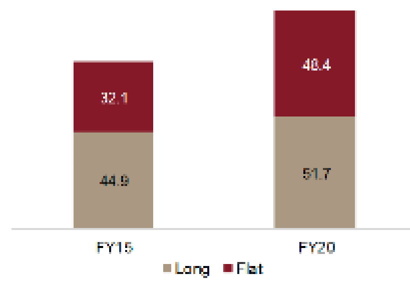
India steel demand has risen at a modest 5.4% CAGR during past five years (Fiscal 2015 to Fiscal 2020). Alloy steel has witnessed a decline in demand on account of automobile production Fiscal 2019 onwards. As a result, the share of alloy in overall steel demand has fallen from 8.8% in 2014 to 2015 to 6.0% in 2019 to 2020. On the other hand, non-alloy steel has been growing at a CAGR of 6.0%.

Trend in steel demand (carbon vs alloy)



Source: JPC, CRISIL Research

Trend in steel demand (long vs flat)



Note: Review data for 2014-15 has been referred from JPC annual statistics while data for 2019-20 is based on in-depth analysis done by CRISIL

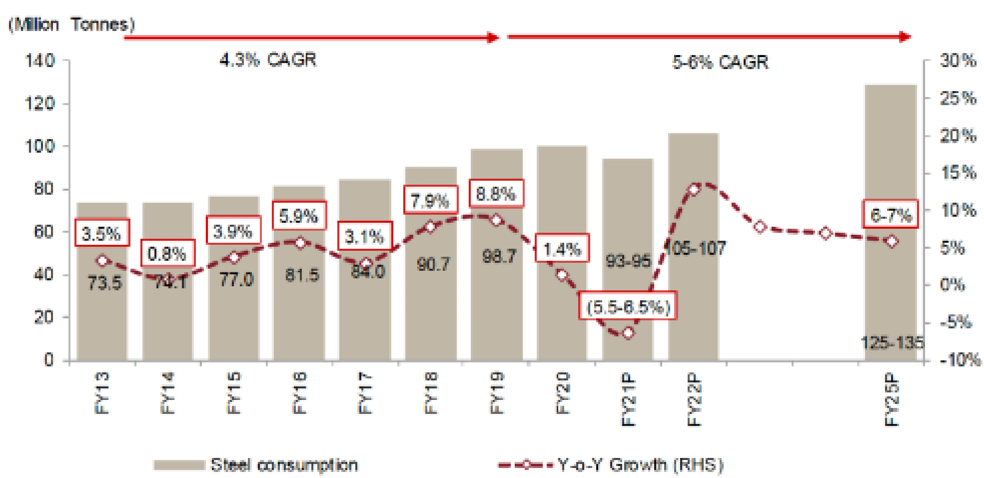
Source: JPC, CRISIL Research

Further, long steel demand has grown at 3% CAGR over past five years (Fiscal 2015 to Fiscal 2020) period primarily led by healthy growth in infra and modest growth in housing segment. Flat steel on the other hand rose at around 8.6% CAGR during the same period. This has led to share of long steel in overall finished steel demand to fall from 58% in Fiscal 2015 to 52% in Fiscal 2020.

Post moderate growth cycles since 2012, India's steel demand exhibited swift comeback with vigorous growth of 8% to 9% in Fiscals 2018 and 2019. Pent-up demand from low base of last year (demonetization), pick up in infra projects, robust growth in Auto (14% increase in automobile production) provided thrust to the sector's growth. However, steel sector witnessed a slump in demand to 1.4% in 2020 due to COVID-19 outbreak.

Going ahead, steel demand is expected to recover and continue its strong growth at 5.0% to 6.0% through Fiscal 2025 supported by the government led initiatives especially affordable housing and infrastructure projects in metro, road, and urban infra space (which are more steel intensive). However, steel demand is expected to decline further by 5.5% to 6.5% in Fiscal 2021 before recovering in Fiscal 2022.

India Steel Demand growth forecast



P: Projected

Note: The consumption numbers are in line with revision made by Joint Plant Committee (JPC)

Source: Joint Plant Committee (JPC) and CRISIL Research

Key growth drivers of steel demand:

- **Building and Constructions:**
  Steel demand from building and construction ("**B&C**") accounts for approximately 35% to 40% of aggregate finished steel demand. While in near term B&C demand is expected to be weak with affordable housing being the only saviour, however, in medium term housing market shall witness some soft revival led by rural housing, affordable housing, and commercialization of Tier III/IV cities. On the other hand, realty markets are expected to be continue to stay weak amidst the COVID-19 outbreak. Growth in the industrial segment is also expected to remain muted. Overall, steel demand from building and construction segment is expected to grow at a

CAGR of 4% to 5% during Fiscal 2020 to Fiscal 2025 period, driven by government's focus on affordable housing, robust rural housing demand, commercialization of tier III and IV cities along with rising steel intensity.

- **Infrastructure:**
  Infrastructure segment is currently the second largest segment in terms of steel consumption comprising of 25% to 30% share in overall steel demand end use mix. Demand from the sector is expected to be healthy with increasing activities and swift pace of execution in steel intensive segments such as railways and particularly metros. Further, in the Fiscal 2022 budget the government has laid special focus on infrastructure development that can be seen in the following announcements made:

  - ₹ 64,180 crore investment in developing 17,000 rural and 11,000 urban wellness centers. Additionally plans to set up integrated public health labs in each district in next 6 years.
  - ₹ 1.41 lakh crore spend over next five years towards urban clean India.
  - Out of the planned investment of ₹ 1.51 lakh crore in Railways, ₹ 1.07 lakh crore is towards construction capital expenditure.
  - 100 more districts to be added for next 3 years for City Gas Distribution.
  - Increase in provision for Rural infrastructure by ₹ 10,000 crore.
  - Investment of ₹ 4,000 crore for Deep Ocean Mission.

- **Automotive:**
  Steel demand Automotive accounts for 8% to 10% of aggregate finished steel demand. The automobile industry has begun to recover post the de-growth caused by COVID-18 outbreak. The sector is expected to eventually recover by Fiscal 2022 with cars and utility vehicles expected to grow at 17%, commercial vehicles at 29% and two-wheelers at 10% post witnessing a drop in growth in Fiscal 2021.

Key Signposts/ Projects:

Pick up in execution of railways, metros, roads and highways projects to boost infrastructure demand in near term as well as long term. Dedicated freight corridor ("**DFC**") in railways; Bharatmala, metros, water supply and sanitation project in urban infrastructure to be key thrust area.

Key government projects driving steel demand

Housing for all:
Increased government focus is expected to drive housing demand over the next few years, with the Ministry of Housing and Urban Poverty Alleviation planning to provide assistance in the range of ₹ 1.0 to ₹ 2.3 lakh per housing unit under its "Housing for All", PMAY mission. It is a programme by the government to provide housing to all households by 2022. The programme aims to construct approximately 29.5 million and 20 million households in rural and urban areas respectively.

Capital Goods:
Approved in May 2016, National Capital Goods Policy was launched with an objective of increasing production of capital goods from ₹ 2,300 billion in 2014 to 2015 to ₹ 7,500 billion in 2025 and raising direct and indirect employment from the current 8.4 million to 30 million. The policy also aims to facilitate improvement in technology depth across sub-sectors, increase skill availability, ensure mandatory standards and promote growth and capacity building of MSMEs.

Bharatmala Pariyojana:
Bharatmala is a new umbrella program for the highways sector that focuses on optimizing efficiency of road traffic movement across India by bridging critical infrastructure gaps. The project will provide NH linkage to 550 districts in India and is expected to be a major driver for economic growth going forward.

Railways and Metros:
Railways: The government is currently focused on building 3,360 km dedicated freight corridors by June 2022 along with redeveloping 90 railway stations into world-class transit hubs and 100% electrification of broad gauge routes by 2021 to 2022. The Indian Railways is also creating private investments worth $4 billion through public-private partnerships. CRISIL Research expects construction expenditure in railway projects to increase 1.4 times (4% to 6% CAGR) between Fiscals 2021 and 2025 compared with the previous five years.
Metros: As per CRISIL Research, construction spends on metros in India is expected to increase approximately 1.3 times to approximately ₹ 1 lakh crore, making it the second-largest contributor to urban infrastructure investments. Bulk of the metro projects are under construction and have achieved financial closure with the lockdown and migration of labour the only impediments in Fiscal 2021 driving investments lower and a deferral of investments to drive revival in Fiscal 2022. Medium term growth in the sector would be led by the development of number of projects announced and under implementation by various state governments.

Product level outlook:

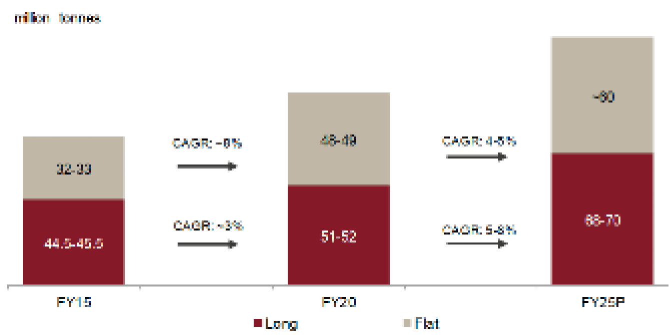
CRISIL Research expects demand for flat segment to rise at 4% to 5% from Fiscal 2020 to Fiscal 2025 on the back of:

- Rising steel demand from automotive industry in the long run.
- Increased demand from steel pipes segment on back of higher investment on WSS and irrigation industry.
- Rising penetration in infra segment esp. urban infrastructure.

While, long steel demand is also expected to grow at 5% to 6% led by:

- Revival in housing (especially affordable housing and rural housing)
- Healthy growth in infra esp. roads, stations and railways.

Product level demand growth

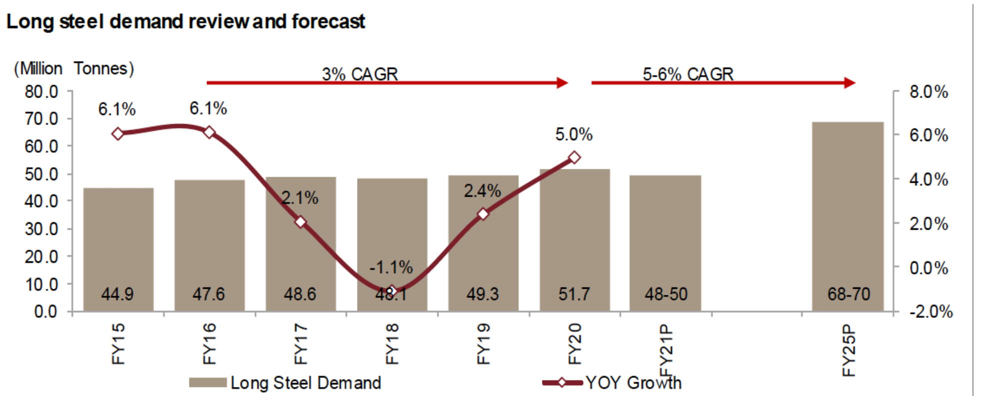


P: Projections
Source: Joint Plant Committee (JPC), CRISIL Research

Demand review and outlook: Long Steel

Various types of long steel products:

Applications	Description
Bar & rods	Bars and rods are normally obtained by hot rolling/forging of billets/ blooms. These include rounds, flats (flat bars), squares, hexagons, octagons, which find direct use in a wide variety of products in engineering and agricultural, household, furniture sectors, etc with/without further processing.
CTD/TMT	CTD (cold-worked twisted and deformed)/ TMT (thermo mechanically treated) bar and rods are hot rolled round bars/rods with indentations (marks)/ribs normally supplied in straight length or in folded bundles. Used in civil construction.
Wire rod	Hot rolled plain bar/rods (i.e without indentation) in coil form normally used to produce steel wires and, and, at times, steel bars.
Angles, shapes and section	Hot rolled structural sections obtained by hot rolling of blooms/billets. These include angles, channels, girders, joist, I beams, H beams, etc used in civil/mechanical construction.
Rails	Hot rolled rail sections obtained upon hot rolling of blooms/billets. Used in railways/tramways on which trains/trams travel.
Wires	Wires are produced by cold drawing of wire rod through a die. These are normally supplied in coils.
Bright bars	There are cold drawn/ ground/ peeled plain bars produced from hot rolled plain bars/wire rods.



P: Projections

Source: Joint Plant Committee (JPC), CRISIL Research

Going ahead, CRISIL also expects India's long steel demand to steer at 5% to 6% through Fiscal 2025 primarily led by:

- Building & Construction:
  For the next five years, steel demand from building and construction segment is expected to grow at a CAGR of 4% to 5% driven by:
  - Government's focus towards execution of affordable housing.
  - Robust rural housing demand on the backdrop of govt. continued focus on rural development, three consecutive good monsoons, higher minimum support prices (MSP).
  - Urban housing demand is also expected to improve owing to increased commercialization of tier III and IV cities led by better infrastructure connectivity.
  - Rising steel intensity.

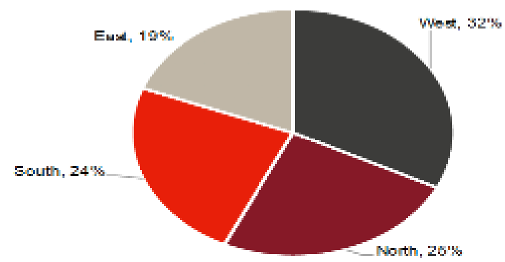
  However, realty markets are expected to remain stagnant especially in near term given high inventory levels across major cities.

- Infrastructure
  Infrastructure demand has grown at a rapid pace over the last few years and is expected to outpace overall steel demand in the longer run driven by:
  - Roads and Railways are the two key focus areas of the government and are expected to see rapid growth in central government investments in the near term. Higher awarding in the current year is expected to bode well for Road sector in near term as govt remains focused on its target of completing the 67K kms under Bharatmala Phase 1 and 2 by 2025. Similarly railways is likely to see pickup in investments as government plants to bring DFC routes 3 to 5 onto the table. Further with privatisation of routes government is likely to witness lower losses and better cash flow from the segment enabling higher capital expenditure from the sector.
  - Urban infrastructure will be driven by metro rail construction as well as water supply and sanitation segments. Addition of new metro lines is several Tier II cities, such as, Bhopal, Patna and Indore, are expected to drive demand from the segment.
  - Irrigation segment is likely to see more investments in central, south and east where irrigation remains low. Large projects in Telangana and AP under construction and CRISIL Research foresees other states scaling up irrigation investments as well to address the issue of agricultural water shortage.

- Auto
  - In Fiscal 2020, automobile production declined by 16% to 18% on account of weak demand. Fiscal 2021 is experiencing another de-growth due to COVID-19 outbreak of 12% to 14%. However, recent increase in demand for auto post August 2020 has given green shoots to the sector.
  - Going forward, low penetration, fast-paced infrastructure development, relatively stable cost of vehicle ownership as well as cost of acquisition and expected lower crude oil prices to support demand. However, penetration of electric vehicles (low steel intensity) to weigh down the steel demand growth.

Long steel demand is fairly spread out in India with southern and Northern region constituting around one-fourth of India's long steel demand.

Region-wise break-up of long steel demand

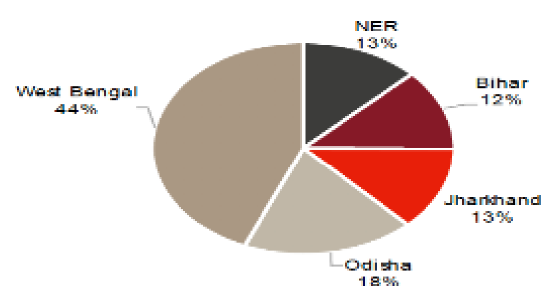


Note: Data as of FY20
Source: CRISIL Research

West and North region together account for more than half the pan-India demand for long products (bars and rods, structural, and railway materials).

In the West, demand is concentrated in Maharashtra and Gujarat. They together account for more than three-fourth of region's demand. Uttar Pradesh, Haryana and Rajasthan are the largest consumers in Northern region, with a market share of 73% of region's demand.

State-wise break-up of long-steel demand (East)

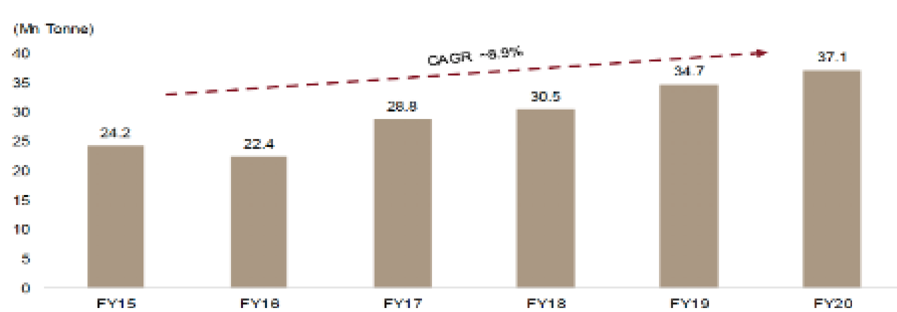


Note: Data for FY20
Source: JPC, CRISIL Research

Demand review and outlook: Sponge Iron

Sponge iron, also termed direct-reduced iron, is produced by reducing (removing oxygen) from iron ore to increase free iron content. This also makes the ore porous. Sponge iron is popularly used as a feed in electric/induction furnaces and as a substitute for steel scrap, because high-quality scrap is costly and scarcely available. It is also used as a coolant by integrated steel plants, again as a substitute to melting scrap (Sponge iron is added as a solid only to hot metal. It then melts inside and stabilises the temperature. Sponge iron melts faster than iron ore or scrap). India is the second largest sponge iron producer, having an annual production of 37 million tonnes, increasing consistently since Fiscal 2017. Of the total production in Fiscal 2019, coal-based accounted for nearly 79% and gas-based accounted for 21%.

Sponge iron production review (gross production):



Source: JPC, CRISIL Research

Going forward, CRISIL expects prospects of sponge iron industry to grow at 3.5% to 4.5% CAGR over the next five years (Fiscal 2021 to Fiscal 2025)

However, the following factors to continue to impact sponge iron production:

- **Rising competition from large players**

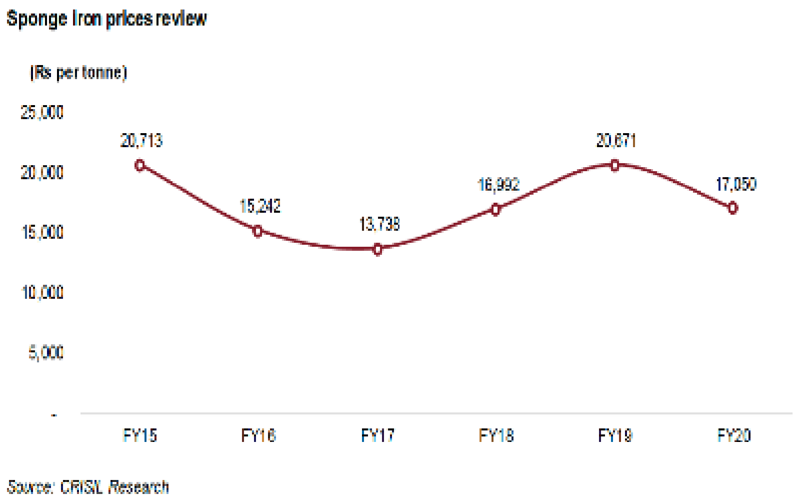
The share of large players (using BF/ BOF) has increased from approximately 24% in 2013 to 2014 to 35% to 36% in 2019 to 2020 in long steel making. Long steel manufactured using Blast Furnace-Basic Oxygen Furnace ("**BF/ BoF**") route is considered to be of better tensile strength (low sulphur and phosphorous content). In last three fiscals, large players, such as, Steel Authority of India Limited, Jindal Steel and Power Limited, and Rashtriya Ispat Nigam Limited have added 7 MT of capacities which are primarily long steel/focused. These capacities are expected to further increase, leading to share of large players further rise to 38% to 40% in Fiscal 2025, and thereby, intensifying competition in the long steel segment and adversely affecting small players manufacturing steel through the sponge iron route.

- **Price differential with substitutes (scrap)**

Scrap is a direct substitute to sponge iron in steel making and has a higher conversion yield. Scrap prices are expected to soften in medium term led by better scrap availability with industry getting more organised. This shall potentially impact sponge iron blending and continues to be a key monitorable. Regulatory changes in China with respect to production cuts and scrap import policy remain monitorable for any upside in our forecast.

- **Weak financial position of the players to impact operations**

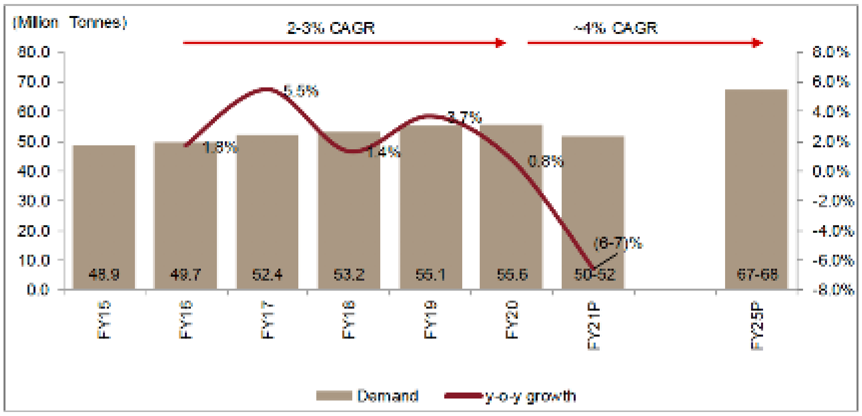
Several players in the long steel segment who are integrated and manufacture steel using sponge iron are into severe financial stress. Despite increase in realisations, several players continue to be in financial trouble. Players, such as, Adhunik Metaliks Limited, Visa Steel, Jayaswal Neco Industries and Jai Balaji Industries along with small manufactures continue to report losses. Further, with rise in raw material prices and limited volume growth, margins of industry players to be under pressure.



Demand review and outlook: Billets

Billets consumption has largely moved in conjunction with long steel production at around 2.5% to 3% CAGR during past five year period from 2014 to 2015 to 2019 to 2020. Healthy infrastructure demand coupled with modest growth in housing segment drove long steel demand and thereby billets consumption

Demand review and outlook for Billets



P: Projections

Note: Billet consumption includes captive and merchant. It has been estimated based on input-output norms for long steel making.

Source: JPC, CRISIL Research

Going ahead, CRISIL expects India's billet consumption to rise approximately 4% through Fiscal 2025 primarily led by:

- Strong growth in Building & Construction sector:
  For the next five years, steel demand from building and construction segment is expected to grow at a CAGR of 4% to 5% driven by Government's focus towards affordable housing along with robust increase in rural and urban housing.

- Infrastructure:
  Infrastructure demand has grown at a rapid pace over the last few years and is expected to outpace overall steel demand in the longer run led by roads and railways being key focus areas of the government. Further, urban infra is also expected to grow primarily by metro rail construction along with the irrigation segment likely to witness investments in central, south and east regions.

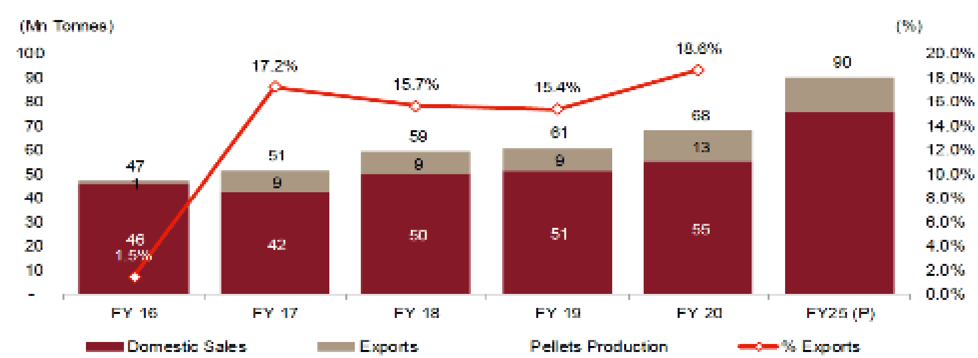
- Auto:
  Automobile sector has been witnessing de-growth since two fiscals due to weak demand and the impact of the pandemic. However, the sector is expected to revive in the long run and support billets demand.

Demand review and outlook: Pellets

Pellets are normally produced in the form of Globules from very fine iron ore (normally -100 mesh) and mostly used for production of sponge iron in gas based plants, though they are also used in blast furnaces in some countries in place of sized iron ore.

Pellet production has risen at a robust pace led by healthy domestic demand along with exceptional stride in export volumes. Share of exports in overall production has increased from 1.5% in Fiscal 2016 to around 18% in Fiscal 2020. Domestic sales of pellets is estimated to have grown at 9% CAGR against 13% CAGR growth in exports from Fiscal 2017 to Fiscal 2020. Subdued domestic demand owing to pandemic related lockdown in the H1 Fiscal 2021 resulted in exports reaching approximately 10 million tonnes till December in Fiscal 2020.

Production and Export Trends for Pellet



P: Projections

Source: Industry, DGFT, CRISIL Research

Going forward, CRISIL foresees the pellet demand to rise at 6% CAGR through Fiscal 2025 primarily led by:

- Revival in steel production growth thereby yielding an upward bias for pellet demand.
- High preference and usage of pellets led by better efficiency in BF units.
- Ease of transportation.
- Increase in pellet production capacity by approximately 28 million tonnes proposed by major ISPs.

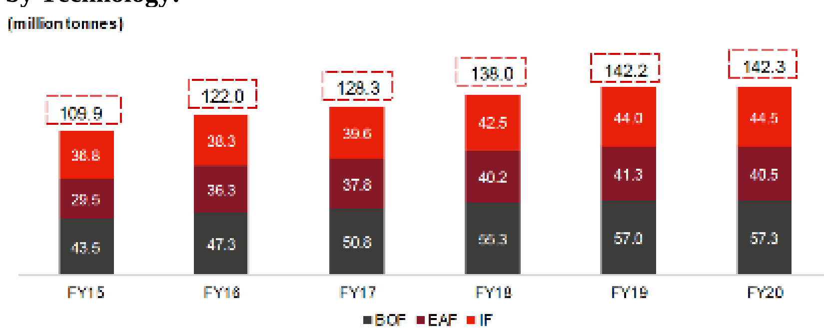
Over the medium term the rising domestic demand is expected to push capacity utilization of pellet production to 80% from 78% in Fiscal 2020.

SUPPLY REVIEW AND OUTLOOK

Industry structure for Steel:

The top six players (SAIL, TSL, JSW, RINL, JSPL, Tata Steel BSL) constitute around half of India's crude steel capacity, with the balance being constituted by other small to medium scale producers. Blast Oxygen Furnace (BOF) technology accounted for 40% share in terms of installed capacity and 44% share in terms of production in Fiscal 2020.

India Crude Steel Capacity by Technology:



Source: JPC, CRISIL Research

Going forward, CRISIL expects about 20 to 22 million tonnes of crude steel capacity primarily through brownfield route. Among large players, planned expansions include Tata Steel's Kalinganagar expansion by 5 MTPA as well as JSW Steel's Dolvi plant expansion of 5.7 MTPA along with Vijayanagar plant expansion of 6 MTPA capacity by Fiscal 2025.

The NMDC greenfield project at Nagarnar, Chhattisgarh has been facing delays on account of issue like pending statutory clearances, controversy on right use of water pipeline, skilled manpower availability and delay in a package due to non-completion of other linked activities. It is expected to come on-stream by in 2023.

Crude steel capacity trend of leading players (in Million Tonne)

India's crude steel capacity												
	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21 P	FY 22 P	FY 23 P	FY 24 P	FY25 P
SAIL	13.3	18.6	18.6	18.6	18.6	21.4	21.4	21.4	21.4	21.4	21.4	21.4
RINL	3.2	6.3	6.3	6.3	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.3
Tata Steel Ltd.	9.7	9.7	12.7	12.7	13	13	18.6	18.6	18.6	18.6	18.6	23.6[3]
Tata Steel BSL Ltd.	5.6	5.6	5.6	5.6	5.6	5.6						
JSW	14.3	14.3	18	18	18	18	18	24	24.7	24.7	24.7	29.7[4]
JSPL	4.6	4.6	4.8	5.1	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6
NMDC	-	-	-	-	-	-	-	-	3	3	3	3
Others	51.5	50.8	56	62	67	68	68	68	68	69[5]	69	70-71[2]
India's steel capacity	*102*	*110*	*122*	*128*	*138*	*142*	*142*	*148*	*151*	*152*	*152*	*163*

Brownfield capacity expansion   Greenfield capacity expansion

E- Estimates; P- Projected

Source: Companies, CRISIL Research

Note: 1. SAIL completed the 21.4 MTPA crude steel capacity expansion in Q4 Fiscal 2019. Greenfield expansion to be through a second plant in Orissa of 3-6 MTPA, coupled with upgradation of existing plants.
2. Tata Steel is expected to complete the 5 MTPA Kalinganagar by Fiscal 2024.
3. Delay in capex due to covid impact has been considered.
4. JSW Steel to complete 1 MTPA Vijaynagar capacity expansion along with 5.7 MTPA Dolvi expansion by FY22. Another 5 MTPA capacity expansion at Vijaynagar plant is expected to be done by Fiscal 2025.
5. Electrosteel is expected to expand its current 1.5 MTPA capacity to 2.5 MTPA by Fiscal 2023.
6. Others includes potential capacity addition by ramp up by smaller players.
7. Monnet Ispat's crude steel capacity has been excluded while considering the gross capacity for JSW Steel in the above table, as the merger between the two companies is still awaited.

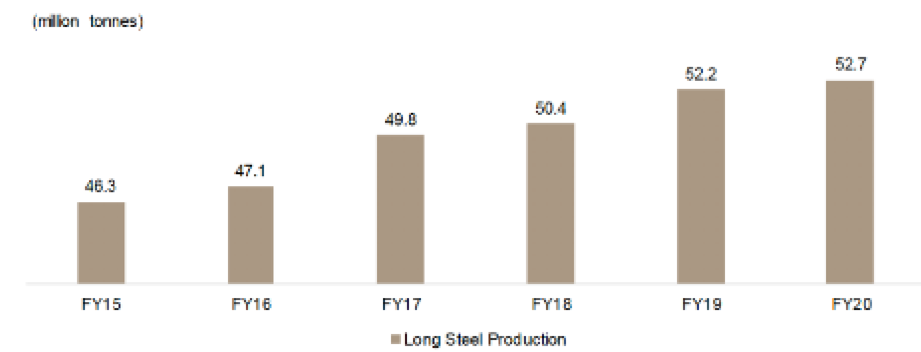
Competition in flat steel market:

India's flat steel market is fairly organized with top 5 players constituting more than 90% of the flat steel capacity and the rest being distributed between smaller players and re-rollers. Recent consolidation in the flat steel capacities have increased the overall share from 85% five years ago to more than 90% in Fiscal 2020.

Competition in long steel market:

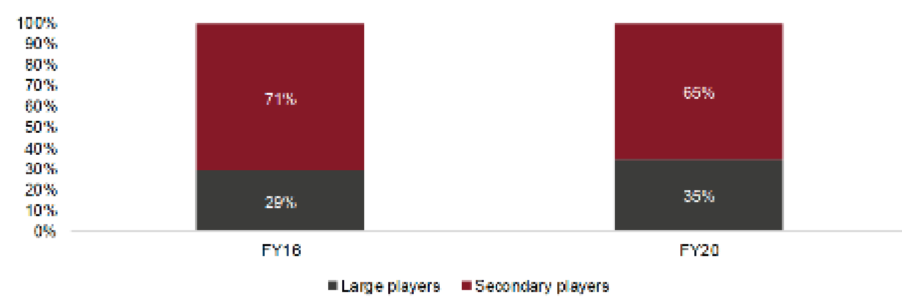
Unlike flat steel, long steel market is fairly fragmented with top 5 large players constituting around 35% of the market and rest being distributed amongst more than 850 IF and EAF units. Further India also houses 1020 rolling units as of Fiscal 2020 who are primarily dependent on billet provider Of these only 116 re-rolling units with nearly 18 mnT capacity (approximately 23% of overall re-rolling capacity) are situated in East with North and West housing over 690 re-rolling units (around 41 mnT of re-rolling capacity). This is primarily on back of more integrated long steel players being present in East.

India long steel production trend:



Source: JPC, Industry

Industry structure in long steel making



Note: Large players include Tata Steel, SAIL, JSW, JSPL, and RINL. Rest all are secondary players
Source: Industry, CRISIL Research

Trend in domestic prices of long products:

Note: P – Projected; prices are exclusive of duties and are indicative of primary steel manufacturers

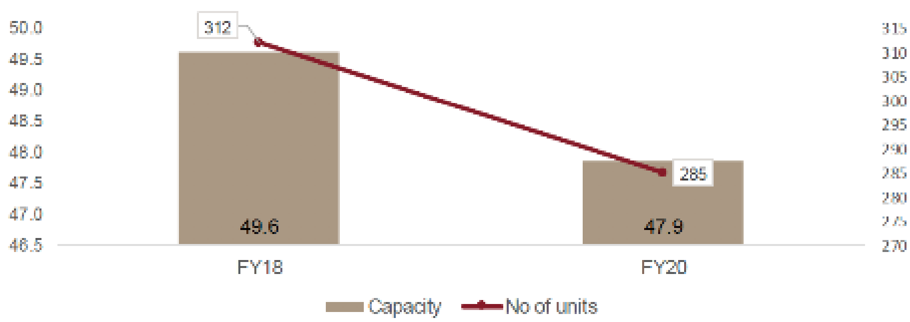
Source: Industry, CRISIL Research

Competition in Sponge Iron Market:

In Fiscal 2020, India is the second largest sponge iron producer in the world. Sponge iron industry is fairly fragmented with around 285 units with an operational capacity of approximately 47.85 MTPA operating as of 2019 to 2020. These units had a gross production of around 37.1 MTPA as of Fiscal 2020 thereby yielding a utilization level of around 77.5%.

The total capacity as well as number of units have decreased between 2017 to 2018 and 2019 to 2020. The capacity decreased from 49.6 MT (2017 to 2018) to 47.9 (2019 to 2020) and the number of working units have reduced by 27 over the same time period, which exhibits large players gaining more traction.

Industry structure in Sponge Iron:



Note: the chart represents working no. of units and capacity in respective years

Source: JPC, CRISIL Research

Coal based sponge iron constitutes around 82% of India's sponge iron capacity / production. Odisha with 74 sponge iron units and with a capacity of 12.6 MTPA was the leading sponge iron producing state in India in 2019 to 2020. Large players have seven DRI units with a capacity of around 14 MTPA. Against this, other secondary players have around 278 units housing a capacity of around 33 MTPA as of Fiscal 2020.

Player	Number of Units (FY20)	Capacity (FY20)
Large players (AMNS, JSPL, JSW,TSL)	7 units	14 MT
Secondary Producers	278 units	33 MT

In terms of regional split, West region houses 44% of India's sponge iron capacity followed by East at 42% and rest being in South. Odisha followed by Chhattisgarh are the key sponge iron producing states.

Leading players in sponge iron industry includes the following:

Player	Sponge Iron Capacity (FY20)
AM/NS	7.83 MT+1.7 MT Corex
JSPL	3.2 MT
JSW	2.5 MT+ 1.7 MT Corex
Shyam Metalics	1.4 MT
Prakash Industries	1.2 MT
Adhunik Group/ Liberty Steel	0.5 MT
Godawari Power & Ispat	0.5 MT
Jai Balaji	0.5 MT
Tata Steel Long Products	0.4 MT
Sarda Energy & Minerals	0.4 MT
MSP Steel and Power Limited	0.3 MT

Source: Industry, Company Reports, CRISIL Research

Shyam Metalics and Energy Limited ("**SMEL**") is one of the leading players and fourth largest player in the sponge iron industry in terms of sponge iron capacity as of Fiscal 2020, with an annual installed capacity of 1.4 million tonne following only AM/NS, JSPL and JSW.

Competition in Pellets Market:

India houses 80 to 85 MTPA of pellet capacity which operates at around 80% of utilization. No significant capacity additions has been done from 2015 to 2020. However approximately 25 MT of incremental pellet capacity is proposed to be added by ISPs over the medium term.

Leading players in pellet industry includes the following:

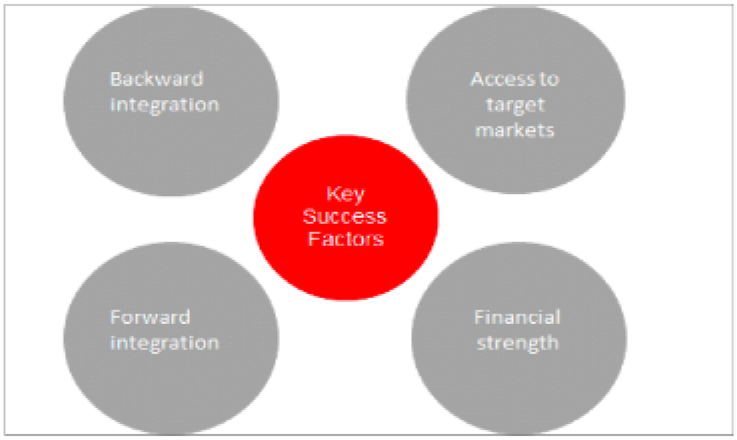
Player	Pellet Capacity
AM/NS	14 MTPA
Jindal Steel & Power Ltd	9 MTPA
Tata Steel	6 MTPA
JSW Steel	14 MT
KIOCL	3.5 MT

These player accounts for 50% of pellet production in India. SMEL is one of the leading players in terms of pellet as of Fiscal 2020, and having a capacity of 2.4 MT.

Setting up a typically pellet unit would require a capital expenditure of ₹ 1,400 to 1,500 per tonne.

KEY SUCCESS AND RISK FACTORS

Key success and risk factors for operating in the Steel sector includes:



Backward Integration:

Having backward integration in the form of captive iron ore mine, coal mine, pellet plant, captive power plant, etc. provides an integrated player with cost benefits. For instance:

- Having access to integrated iron ore and coal mine not only provides cost benefits to players but also provides assurance of continuous raw material supply
- A pellet plant enables sourcing of iron ore in the form of fines which are more abundantly available as against lumps. Further pellets also exhibit high cold crushing strength, porosity and high strength. They can be directly charged into a blast furnace or DRI unit. Also, pelletisation is considered to be technically more superior product to sinter and is easily transportable
- Having captive power plant not only ensures more regular and uninterrupted power supply but also aids in reducing power and fuel cost for a steel player.
  - While grid power would cost anywhere between ₹ 5 to 7 per unit, a captive power plant reduces the cost significantly to approximately ₹ 2.5 / unit
- Having other backward integration such as railway siding helps in optimising logistics and associated cost involved in procuring raw material as well as dispatching finished goods.

Forward Integration:

Companies that are forward integrated in the long steel space enjoy better operational and financial performance. For instance a company that is already present till billet production level having extended presence to TMT or finished steel level ensures lower cost (given that there is no need to re-heat the billet). Additionally, value added products aid in better realizations and EBITDA / ton.

Access to target markets:

Since long-steel can't be transported over long distances, the market is limited to 250 to 350 km of plant location. Strategic location of plant can help in increasing the market reach and optimize logistics costs. Also, having a presence in high-growth market may enable players to achieve faster growth and offset the rising competition.

Financial Strength

The pandemic and subsequent lockdown has resulted in adding further stress to the small and medium size long steel players. While the finished product prices have been on an upward trend since the third quarter of Fiscal 2021, the rising raw materials prices esp. iron ore and issues pertaining to its availability due to logistics constraints had added to the woes of these players . Pertaining to Sponge iron, standalone sponge iron players have weak credit profile. The debt-servicing ratios have been deteriorated over the past few years on account of lower profitability. Lower realisations coupled with high raw material cost have severely impacted the profitability of these players. Gross contribution narrowed to ₹ 4,056 per tonne in Fiscal 2020 due to 18% fall in sponge iron prices. Marginal fall in iron ore and thermal coal prices provided some relief to players. Rising iron ore cost on supply crunch to limit rise in spreads. With domestic iron ore prices expected to rise even further next fiscal on demand-supply mismatch spreads might further narrow.

COMPANY PROFILE

Company Profile

SMEL is one of the leading integrated steel and Ferro alloys producer in Eastern region of India in terms of long steel products as of Fiscal 2020. It is present across the steel sector's value chain- pellets, sponge iron, billets, long steel (structural / TMT), pipe, Ferro alloys, railway siding and captive power plant.

SMEL has 3 manufacturing units with aggregate operating capacity of 5.70 million TPA with 227 MW of Captive Power Plant. Its 2 integrated units are located at Sambalpur, Odisha and Jamuria, West Bengal respectively. One other unit is located at Mangalpur, West Bengal.

The Company's product and capacity portfolio includes:

Steel Segment	Capacity as of December 2020
Iron Pellet	2.40 MT
Sponge Iron	1.38 MT
Billets / SMS	0.89 MT
Long Steel (Wire Rods, Structural)	0.82 MT
Ferro Alloys	0.21 MT
Captive Power Plant	227 MW
Wind Power	5.1 MW

Source: Company information

Peer comparison on key operational parameters:

Company Name	External Credit Rating	Geographical Location	Product portfolio
JSW Steel	CARE AA- IND AA ICRA AA-	Karnataka, Maharashtra, Tamil Nadu	HR, CR, Colour Coated Products, Galvanized, Galvalume, TMT bars, Wire rods, Special alloy steel
Tata Steel	S&P B+	Jharkhand, Odisha in India; UK, Netherlands, Thailand, Singapore outside India	TMT bars, Structures, CR, GC, Tubes, Pipes, Ferro Alloy, Automotive Steel
Steel Authority of India Ltd	India Ratings AA-	Chhattisgarh, West Bengal, Odisha, Jharkhand, Karnataka, Tamil Nadu	Bars, Rods, Rebars, CR, GP, HR, Plates, Railway Products, Structurals, Alloy Steel, Pig iron, Semis
Jindal Steel & Power Ltd	CRISIL BBB ICRA BBB+ CARE BBB+	Chhattisgarh, Jharkhand, Odisha	Rails, Beams & columns, plates & coils, angels & channels, TMT rebars, Wire rods, Sponge iron, Semis

Company Name	External Credit Rating	Geographical Location	Product portfolio
Kalyani Steel	CARE AA	Karnataka	Alloy special steel, rolled bars, rounds for seamless tubes
Godawari Power & Ispat Ltd	CRISIL A CARE BBB+	Chhattisgarh	Pellets, Sponge iron, billets, Silico manganese, Wires
MSP Steel & Power Ltd	n.a.	Chhattisgarh	TMT bars, billets (semis), sponge iron, pellets,
Prakash Industries Ltd	CARE BB	Chhattisgarh	Sponge iron, Ferro alloys, Billets & blooms, Wire rods, TMT & Structurals
Sarada Energy & Minerals Ltd	n.a.	Chhattisgarh	Sponge iron, billets, wire rods, ferro alloys, pellets
Vedanta Electrosteel Steels Ltd	n.a.	Jharkhand	Pig iron, TMT bars, Billets, Iron Pipes, Hot & Cold-rolled products of steel
Shyam Metalics	CRISIL AA- CARE AA-	West Bengal, Odisha	Pellets, Sponge Iron, Billets, TMT, Structural, Wire-rods, Ferro Alloys

Note: N.A. – Not available or updated

Source: Company reports, other secondary sources

Key strengths and opportunity for the SMEL

Key Strength Areas:

- **Backward and forward integration**: SMEL is one of the leading integrated steel and ferro alloy producer in Eastern Region of India, as of Fiscal 2020 having presence across the steel sector's entire value chain thereby ensuring better operational and financial performance. SMEL's backward integration includes pellets, sponge iron, and billets. Forward integration is into TMT, Bars, ERW Pipes, and Ferro Alloys. Diverse product mix de-risks from demand volatility and cost pressures. Integration ensures better synergies, economies of scale and more effective control of operations. Its manufacturing capacity also allows cross selling of intermediate products apart from captive consumption.

- **Proximity to raw material sources & key demand clusters**: The group's manufacturing plants in Odisha and West Bengal are in close proximity to mineral rich belt of iron ore, manganese ore, chrome ore, and coal. SMEL also has long term linkages for coal as well as chrome ore with Mahanadi Coal Field and Odisha Mining Corporation Limited respectively.

- **Advance technology adept to market practices**: The facilities of SMEL has already implemented latest technological advances with facilities like direct charging of Billet and iron ore screening process which results in cost saving and zero wastage.

- **Captive power plant**: SMEL houses captive power plant of 227 MW capacity as of Fiscal 2020 which typically meets 90% of its power requirement and is self-sufficient. While average grid power is estimated to cost ₹ 5 to 7 per unit at an all India basis, however, SMEL's power and fuel cost is significantly lower at ₹ 2.24 per unit as of Fiscal 2020. Further the captive power plant uses waste heat and Dolochar (non-fossil fuel) as the main feed. Since power is a major raw material this significantly adds to the competitive strength of SMEL.

- **Captive railway siding**: SMEL is one of the few integrated metal producing companies in India with captive railway sidings as of Fiscal 2020. SMEL has captive railway siding at 2 of its integrated manufacturing units which ensures a more optimised freight cost given that nearly three times of raw material is to be transported for every tonne of steel produced. Further railway freight is more cost effective than road for long distances (e.g. for distances above 500 kms railway is 20% to 30% cheaper than road). Though, limited rail transport owing to siding congestion and non-availability of rakes and locomotives partially offset the impact.

- **Better financial strength in long steel space**: Secondary players operating in long steel space have been struggling over past few years led by muted price growth, rising substitution by scrap, and increasing presence of large players in long steel space. However, SMEL has zero long term debt and is a net debt free company in Fiscal 2020 and amongst AA rated steel Companies in India (*Please refer financial profile section for more details*).

- Upcoming Blast Furnace, DI Pipe facilities and aluminium foil rolling mill to provide more provide more flexibility to SMEL in terms of the product mix and market penetration.

Opportunity Areas:

- **Rising demand growth from long steel and Ferro alloys**: The lows of pandemic seems to be firmly behind us with India's long steel market set to grow by around 5% to 6% from Fiscal 2020 to Fiscal 2025 primarily led by government's focus on infrastructure. National infrastructure pipeline with of ₹ 111 lakh crore and including 7,400 projects till 2025 is expected to provide the much needed fillip to the sector. Planned investments across metros, DFCs, roads and ports will keep the momentum going. While Ferro alloys sector is also expected to remain muted in the near term revival in demand for stainless steel and carbon steel beyond Fiscal 2022 is expected to push the growth within the same range as that of steel demand over next five years.

- **Planned expansion in new high growth potential sectors**: SMEL is planning set up to further diversify its presence in DI Pipes. They are planning to set-up a Blast furnace the output of which (pig iron) may serve as a raw material for the planned DI unit alongside with IF units.

  - **DI Pipes**: DI pipes demand is expected to witness a robust growth of 8% to 9% led by government's continuous efforts on increasing the penetration of tap water, improving sewage facilities under various schemes such as AMRUT, Swach Bharat Abhayan, National Clean Ganga Mission, etc.

Financial Profile

SMEL has relatively better financial strength as compared to other companies operating in long and intermediary steel space and reported healthy operational as well as financial growth despite downturns in the industry (especially during Fiscal 2009 and Fiscal 2015).

Comparison of EBITDA Margin (in per cent)

(Definition: EBITDA margin is a measure of a company's operating profit as a percentage of its revenue. The acronym stands for earnings before interest, taxes, depreciation, and amortization)

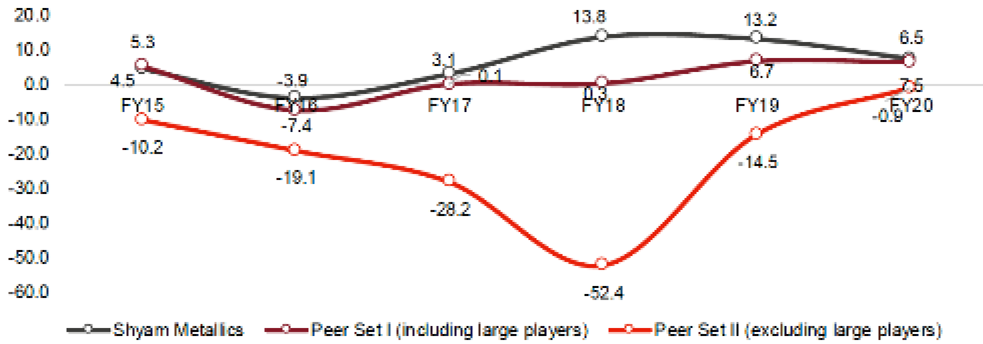
Note: Peer Set I includes JSW, Tata, SAIL, JSPL, Kalyani Steel., Godawari Power &Ispat Ltd., MSP Steel & Power Ltd., Prakash Industries Ltd., Sarada Energy & Minerals Ltd., ESL, JSW Ispat Special Products Limited. Peer Set II includes companies in peer set I except large players (Tata, SAIL, JSW, and JSPL).

Note: the peer set for Shyam Metalics includes companies with comparable product portfolio and similar ratings.
Source: Companies, CRISIL Research

SMEL has consistently outperformed its peers (set II) in terms of profitability, largely on account of backward (such as pellets) and forward integrated operations. Moreover, better operating performance is also attributed to a well-diversified presence of SMEL and de-risk itself from a downfall in any particular segment within the value chain. Majority of the power costs is being met through captive sources, which results in low power costs and thereby improving operating performance vis-à-vis its peer, SMEL also enjoys low freight costs following captive railway siding.

Comparison of Net Profit Margin (in per cent)

(Definition: Net profit margin is the ratio of net profits to revenues for a company)



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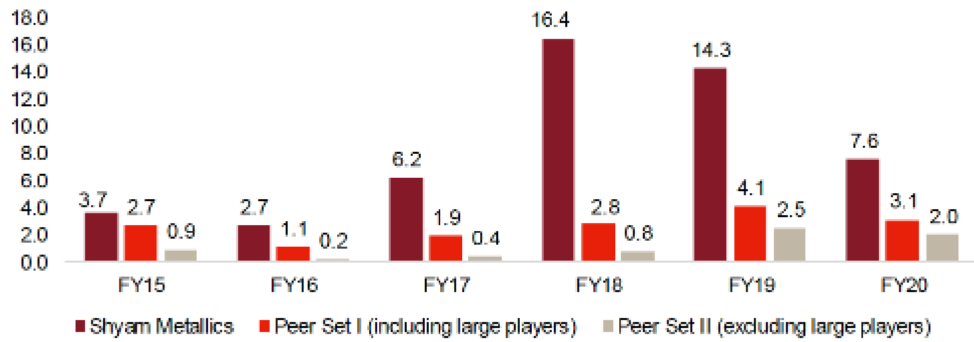
Source: Companies, CRISIL Research

With improvement in operating margins, net margins of SMEL have fared better than both the sets in recent years. SMEL has reported highest operating margins of 13.2% in Fiscal 2019 as against an average NPM of 6.7% of Set I and reported losses of Set II during the year.

Comparison of Key Financial Ratios - Interest Coverage (In times)

(Definition: The interest coverage ratio is a debt ratio and profitability ratio used to determine how easily a company can pay interest on its outstanding debt.)



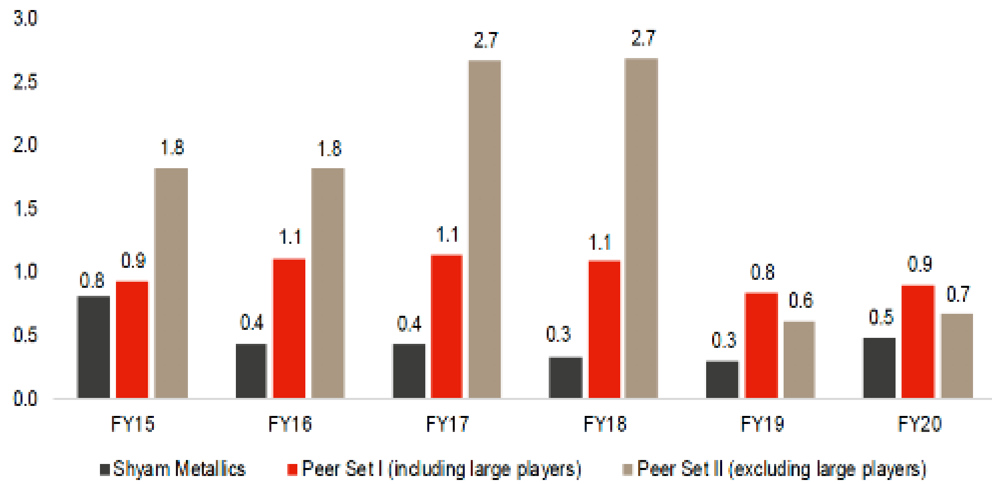
Note: Peer Set I includes JSW, Tata, SAIL, JSPL, Kalyani Steel., Godawari Power &Ispat Ltd., MSP Steel & Power Ltd., Prakash Industries Ltd., Sarada Energy & Minerals Ltd., ESL, JSW Ispat Special Products Limited. Peer Set II includes companies in peer set I except large players (Tata, SAIL, JSW, and JSPL).

Source: Companies, CRISIL Research

SMEL’s interest coverage has declined in last 3 years but still is higher as compared to both peer sets throughout last five year SMEL’s reported interest coverage ratio of 7.6 times as in Fiscal 2020 as against 3.7 times in Fiscal 2015. SMEL’s interest coverage is one of the highest among its competitors.

Comparison of Key Financial Ratios – Gearing (In times)

(Definition - The gearing ratio is a financial ratio that compares some form of owner's equity (or capital) to debt, or funds borrowed by the company. The gearing ratio is a measure of financial leverage that demonstrates the degree to which a firm's operations are funded by equity capital versus debt financing)



Note: Peer Set I includes JSW, Tata, SAIL, JSPL, Kalyani Steel., Godawari Power &Ispat Ltd., MSP Steel & Power Ltd., Prakash Industries Ltd., Sarada Energy & Minerals Ltd.,, JSW Ispat Special Products Limited. Peer Set II includes companies in peer set I except large players (Tata, SAIL, JSW, and JSPL).

Source: Companies, CRISIL Research

SMEL is the least leveraged group among peers and as of March 2020 their gearing was 0.5 which is one of the lowest amongst the competitor. SMEL's gearing has reduced to 0.5 times as of March 2020 from 0.8 times as of March 2015. This was largely on account of steady cash accruals following healthy operating performance, which helped SMEL reduce its debt consistently to ₹ 4.1 billion as to March 2020, from an elevated levels of approximately ₹ 6 billion as of March 2015.

FERRO ALLOYS MARKET ASSESSMENT

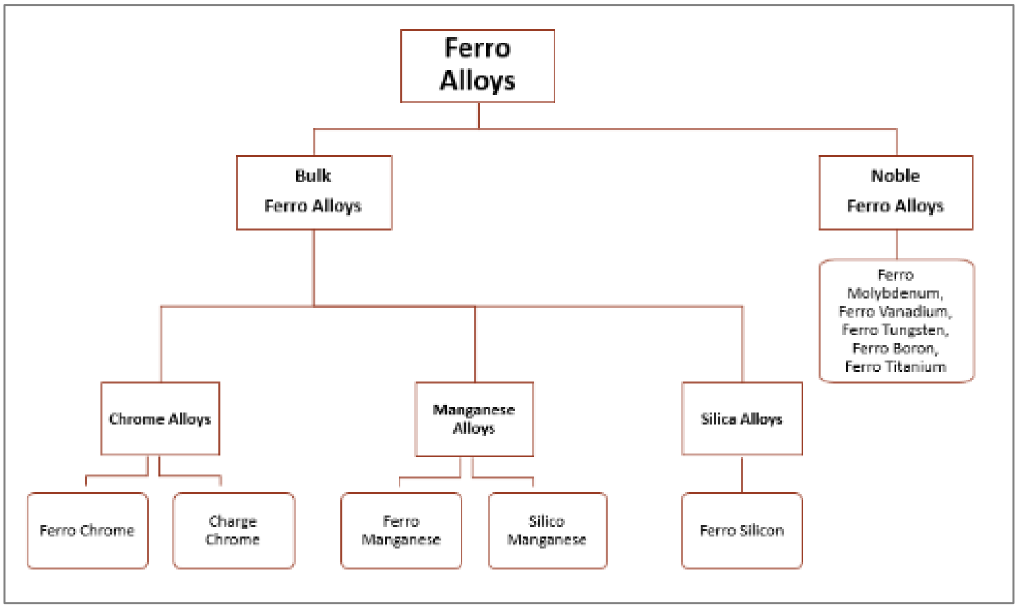
Industry Overview

Ferro alloys are alloys of iron with a high proportion of one or more than one other element eg: chromium, manganese or silicon. In India, the primary 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. Depending upon the process of steel making and the type of steel being produced, the requirement of ferro alloys varies wide. Typically, ferro alloys constitute around one percent of total raw materials used for steelmaking but are vital in imparting special engineering properties like hardness, corrosion resistance, tensile strength, abrasion resistance, etc. The growth of the ferro alloy industry is, thus, linked with the prospects of the steel and stainless-steel industries.

There are two major groups of alloys.

1. ***Bulk alloys*** consisting of ferro alloys of Manganese, Chromium, Nickel and Silicon which are added in larger proportion to steels.

2. ***Noble ferro*** alloys which are used in much smaller proportion in special and alloy steels for addition of vanadium, molybdenum, Tungsten, Zirconium, Titanium, Boron, , Magnesium Silicon and extra Low Carbon Ferro Chrome.



Source: CRISIL Research

Chrome alloys

Majority of the ferro chrome alloys are used in stainless steel production. The average chrome content in stainless steel is 16% to 18%. These are also used to manufacture carbon steel and special alloy steel. There are two types of chrome alloy- (a) *charge chrome*- which is exclusively used in manufacturing of stainless steel and (b) *ferro chrome*- which has varied applications such as in the manufacturing of carbon steel (ammunition, drills, hand tools, mobile cranes and mining equipment), stainless steel and also in the foundry industry.

Manganese alloys:

Manganese alloys are used in the steel-making process to increase its toughness and reduce its malleability. It is also added because of its sulfur fixing, deoxidizing and other alloying properties. 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.*

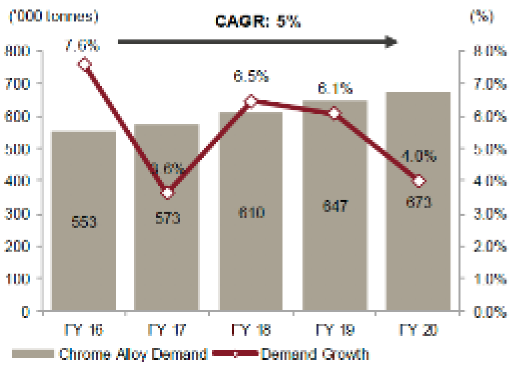
Ferro manganese, when added during the steel-making process, helps in lowering the melting point of steel. It is made by heating the mixture of manganese oxide and ferric oxide with carbon in a blast or electric arc furnace.

Silico manganese is used as a de-oxidant, sulfide former and alloying element in the steel industry, or in the production of other manganese alloys. In the case of stainless steel, it is also used to substitute expensive nickel in some austenitic grades. It is produced from manganese-rich slag - a by-product from ferro manganese production.

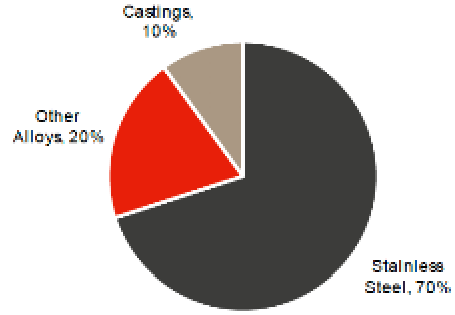
Demand Review
Chrome Alloy

Domestic demand growth of chrome alloys is estimated to have grown at 5% between 2015 to 2016 and 2019 to 2020. This was led by strong growth in stainless steel production, approximately 6% CAGR during the same period, which constitutes approximately 70% of chrome alloy demand. Apart from stainless steel, chrome alloys also find application in casting and other smaller segments.

Demand Trend In Chrome Alloy:



Demand breakup: 2019-20

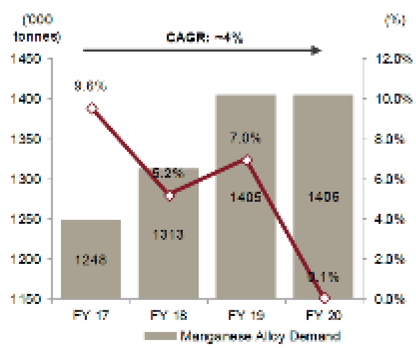


Source: Industry, CRISIL Research

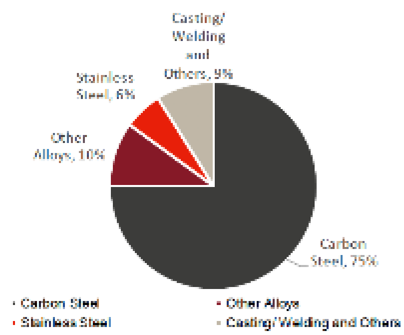
Manganese Alloy

During Fiscal 2017 to Fiscal 2020, manganese alloy demand posted a 4.0% CAGR, mirroring the growth in off-take from carbon steel manufacturers and other end-users such as stainless steel, castings and other alloy steel, which together accounted for about 96% of manganese alloy consumption.

Demand Trend In Manganese Alloy:



Demand breakup: 2019-20



Source: Industry, CRISIL Research

Demand Outlook

Domestic Ferro Chrome demand is expected to decline by 9% to 11% in Fiscal 2021 due to steep fall in demand from Architecture, Building and Construction and automotive, railways and transport segments from stainless steel industry which constitutes approximately 70% of end use industry demand amid COVID-19 crisis. Demand from castings (constitutes approximately 10% of the total demand) and other alloys (constitutes approximately 20% of the demand) are expected to fall significantly by 10% to 12% and 9% to 11% respectively. Demand is expected to pick up in Fiscal 2022 with 8% to 10% growth with improved demand from stainless steel industry and castings segment.

Chrome alloy demand from key end-user sectors

End use sectors	FY20 ('000 tonnes)	Growth rates				
		FY17-20	FY20	FY21	FY22	FY23
Stainless steel	470-475	6.3%	6%	(8-10)%	9-11%	6-8%
Castings	66-68	-1.3%	-15%	(10-12)%	7-9%	5-7%
Other Alloys	~135	3.0%	2%	(9-11)%	6-8%	5-6%
Chrome Alloys			**4%**	**(9-11)%**	**8-10%**	**6-8%**

Source: CRISIL Research; E: Estimated; P: Projected

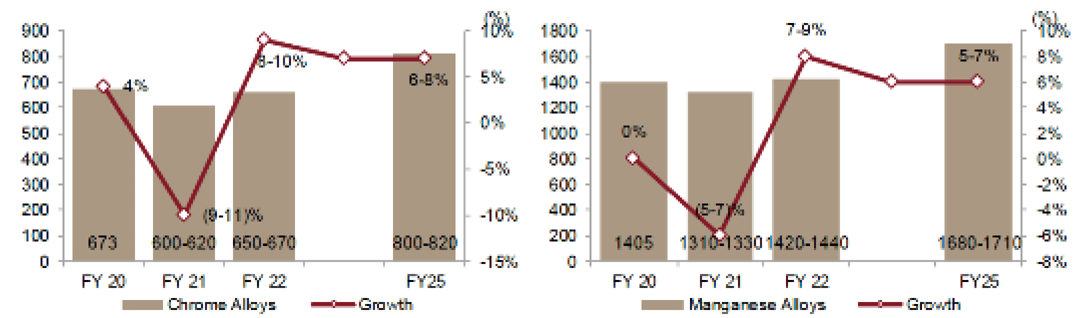
Ferromanganese demand has witnessed a muted grown by approximately 0.1% in Fiscal 2020 due to weak domestic steel demand. We expect ferromanganese consumption to further to decline by 5% to 7% in Fiscal 2021 as crude steel production to decline by 2% to 4% in Fiscal 2021 (production declined by 33% on-year in April to July of Fiscal 2021) due to steep fall in steel demand due to weak automobile and construction activity amid COVID pandemic. Going forward, the demand to pick up by 7% to 9% in Fiscal 2022 as the crude steel production to improve on back of healthy steel demand.

Manganese alloy demand from end-user sectors

End sector	FY20 ('000 tonnes)	Growth rates				
		FY17-20	FY20	FY21	FY22	FY23
Carbon steel	1050-1055	3.7%	-1.50%	(2-4)%	7-9%	5-7%
Stainless steel	~70	6.3%	6%	(8-10)%	9-11%	6-8%
Other Alloys	280-285	4.0%	2%	(9-11)%	6-8%	5-6%
Manganese alloys			**0.10%**	**(5-7)%**	**7-9%**	**5-7%**

Source: CRISIL Research; E: Estimated; P: Projected

Demand Forecast for Ferro Alloys:



Source: Industry, CRISIL Research

Supply Landscape

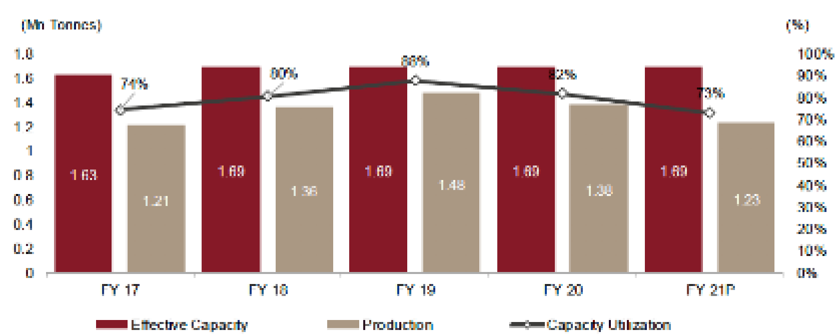
Industry Structure:

The Indian ferro alloy industry is highly fragmented. Within the chrome alloy segment, the top two players together comprise a market share of 35%, whereas in the manganese alloy segment it is a mere 5% to 6%. As operations are raw material intensive, any fluctuation in raw material prices affects players' profitability. Also, demand for ferro alloys is driven by the steel and stainless steel industries, which is a relatively consolidated industry and hence has high bargaining power. A typical feature of the industry is the inter-changeability of production between ferro-chrome and ferro-manganese by smaller players on the basis of the prevailing market scenario which has largely been responsible for no major capacity addition over the years.

Capacity and utilization level:

Ferro Chrome: Ferro chrome players utilisation rates to decline to 72% to 74% in Fiscal 2021 amid falling demand. Moreover, majority of the chrome ore mines production got halted due to lease expiries and re-auctioning and the extended lockdown impacted the existing mine operations, resulting in severe shortage in chrome ore availability, impacting the alloy production and utilization rates. During Fiscal 2019, a sharp rise in chrome alloy demand from South Korea, China and Japan supported a surge in exports from India, which in turn supported domestic producers that led to a healthy utilization rate of 87%.

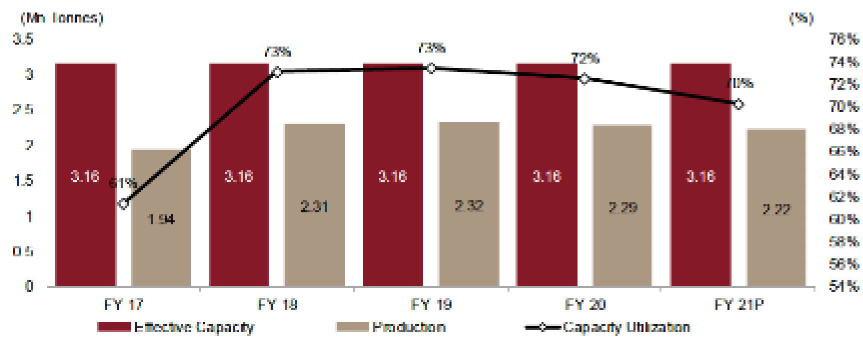
Capacity and Production for Chrome Alloys:



Source: Industry, CRISIL Research

Manganese Alloy: Capacity utilizations to decline marginally to 68% to 70% in Fiscal 2021 due to weak demand. Domestic crude steel production to decline by 9% to 10% resulting in fall in demand for the ferromanganese alloys. However, healthy demand for exports supported the production. In Fiscal 2020, with weak domestic and global crude steel production, ferromanganese domestic and exports demand remain weak resulting in marginal drop in production and utilization rates. Despite domestic carbon steel production growth of 7.5% in Fiscal 2019 that led to a healthy demand growth of approximately 7% of manganese alloy, production saw a marginal growth of approximately 0.3% due to decline in exports. Capacity utilization remained stable at 73% as decline in production was offset by no significant capacity addition.

Capacity and Production for Manganese Alloys:



Source: Industry, CRISIL Research

Majority of the ferro-alloys capacities (almost two-third) are located in Eastern belt especially in the states of West Bengal and Chhattisgarh. Leading players in the ferro-alloys industry include:

Player	Ferro Alloys Capacity (FY20)
Shyam Metalics	0.21 MT
IMFA	0.275 MT
Balasore Alloys	0.16 MT
Abhijeet Alloys	0.2 MT
Modern India Concast Ltd.	0.2 MT
Shri Girija Alloys and Power	0.15 MT
Tata Steel	0.11 MT
Nava Bharat Ventures Ltd.	0.13 MT

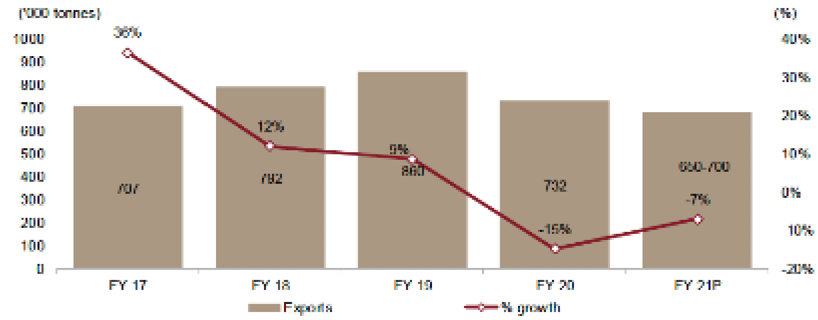
Source: Industry, Company Reports, CRISIL Research

SMEL is amongst the largest producer of ferro-alloys domestically with an annual installed capacity of 0.21 million tonne as of February 2021, with 6.6% share in the capacity.

Exports Trends

Chrome Alloy: China forms 45% of India's export of chrome alloys. Weak demand amid COVID pandemic and limited production in India due to non-availability of ore to result in 9% to 11% drop in exports. Exports increased by 9% year on year in 2018 to 2019 due to improved demand from Indonesia, Japan and South Korea. In Fy 2020, exports declined by 15% majorly due to fall in demand from South Korea, Japan and Taiwan and subdued global stainless steel demand. Chrome alloy exports surged by sharp 36% in Fiscal 2017 as chrome ore and alloy prices surged in H2 2016 to 2017 (driven by improved demand from China), most manufacturers ramped up utilization to capitalize on higher market realizations.

Chrome Alloy Export:

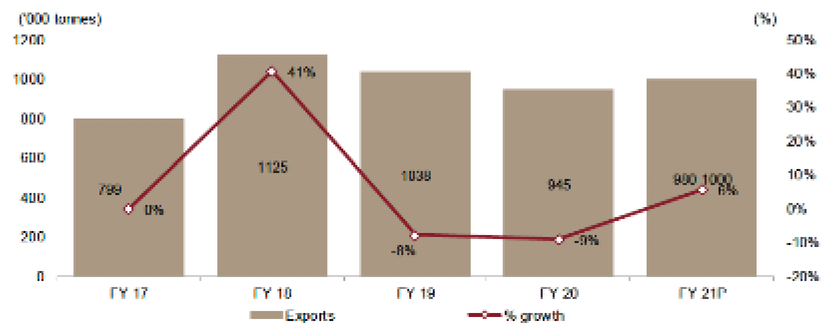


Source: DGFT, CRISIL Research

Manganese alloy: In contrast to chrome alloy, wherein India's exports are largely concentrated between China and South Korea (together accounting for approximately 70% of chrome alloy exports), India's manganese alloy export target base is fairly fragmented: UAE, Japan, Italy, Taiwan, Thailand, Iran and South Korea together constitute approximately a 50% share. India’s exports are expected to increase by 5% to 7% in Fiscal 2021 on back of weak domestic demand and increased demand from Japan, Taiwan and South Korea as the countries started increasing their crude steel production. However, increasing competitiveness from china to limit the India's share in overall exports.

In Fiscal 2020, India’s exports declined by a sharp 9% primarily owing to the subdued global crude steel demand. Global crude steel production registered a muted growth of 3% resulting in fall in demand for ferromanganese alloys.

Manganese Alloy Export:



Source: DGFT, CRISIL Research

Ferro Alloys Prices

Domestic Prices Review:

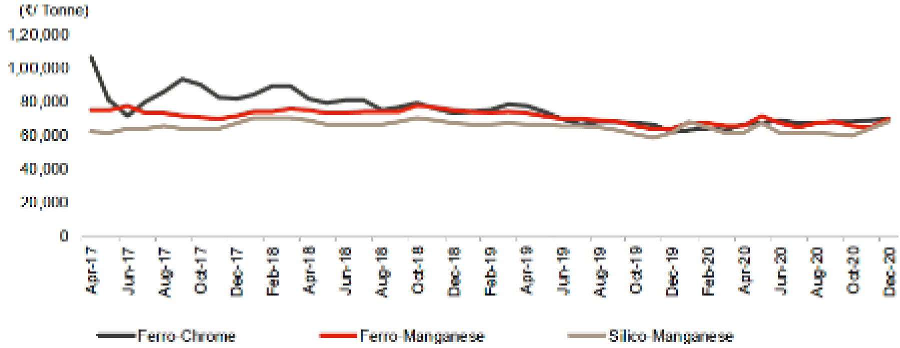
Chrome Alloy*:* International ferrochrome prices declined by 13% on-year to $899 per tonne in Fiscal 2020 on account of weak demand in China coupled with global oversupply. Domestic prices followed a similar trend with 16% on-year slump in prices to ₹ 62,975 per tonne amid weak demand.

Going ahead, Prices to pick-up moderately in Fiscal 2021 due to severe chrome ore supply disruptions. 70% of the chrome ore producing mines got re-auctioned in March and are not operational in the first quarter of Fiscal 2021 and later impacted by monsoons causing limited availability of chrome ore in the domestic market. Moreover, OMC (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.

Manganese Alloy: Prices to decline in Fiscal 2021 by 3% to 5% on-year due to falling demand as both global and domestic crude steel production to fall due to weak demand amid COVID crisis. Moreover, falling domestic manganese ore prices due to decline in global manganese ore prices due to oversupply situation to further weigh on the alloy prices. The first four months of Fiscal 2021 witnessed a 6% drop in domestic ferro manganese prices.

Supply rebalancing led by higher output from China and Malaysia coupled with moderating crude steel demand led to decline in global prices during Fiscal 2020. Similarly, domestic ferromanganese prices declined by 8% primarily owing to muted demand as domestic crude steel production fell by 1.5%.

Ferro Alloys Price Trend - Domestic:

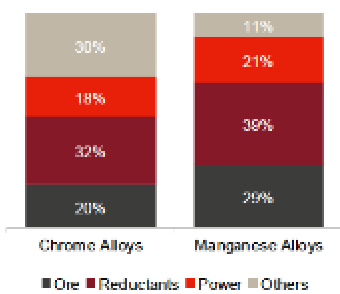


Source: Industry, CRISIL Research

Cost structure:

Typically, raw materials constitute a large chunk of the manufacturing cost for ferro alloys. While for chrome alloys the percentage of raw material cost in overall cost of production varies significantly for integrated (access to captive ore) and non-integrated players, manganese alloy producers have similar cost structure owing to the fact that both integrated as well as non-integrated players majorly rely on imported ore for blending as mostly low grade (low manganese content) ore is available in India.

Chrome Alloys & Manganese Alloys Cost Structure for Integrated players:



Given that ore and power costs occupy major share in overall production costs, any inherent advantage (such as backward integration) provides players with competitiveness against the industry.

DI PIPES MARKET ASSESSMENT

Ductile iron (DI) pipe is a pipe made of ductile cast iron, commonly used for potable water transmission and distribution. DI pipes have directly evolved from earlier cast iron pipes. Ductile iron is made by adding a closely controlled amount of magnesium alloy to molten iron of low phosphorous and sulphur content. The magnesium alloy addition produces a notable change in the microstructure, by causing the carbon in the iron to form a spheroidal or nodular shape (as contrasted to the flake form of graphite in grey cast iron), and at the same time, produces a finer grained iron matrix in the surrounding ferrite structure. As a result of this change, a far stronger, tougher, and ductile material is obtained.

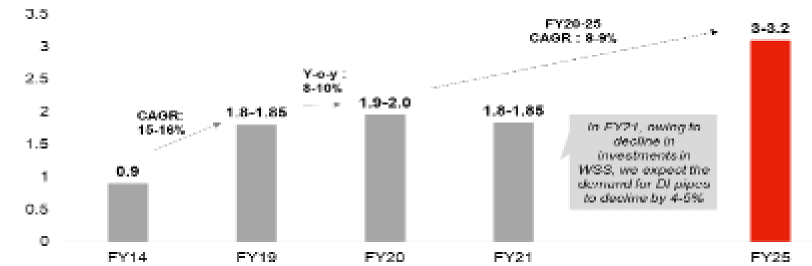
Demand Review

DI pipes are primarily employedforwater supply and sanitation (WSS) projects. Major demand sources are public sector projects undertaken by central, state, and municipal level bodies. DI pipes consumption has witnessed a robust growth of 15% to 16% over Fiscal 2014 to Fiscal 2019.
Key growth drivers have been:

- Increased spending by state governmentsand municipal corporations to improve accessibility of water for an ever-increasing population.
- Heightened thrust, in the form of several central government led schemes to augment WSS, such as Jawaharlal Nehru National Urban Renewal Mission (JNNURM), ATAL Mission for Rejuvenation and Urban Transformation (AMRUT), Swachh Bharat Mission, etc.

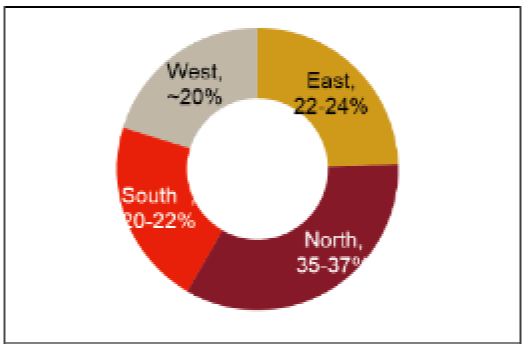
- Increased governmentacceptance towards usage of DI pipes in WSS projects across India, resulting in higher penetration due to its various merits

Demand trend of DI pipes

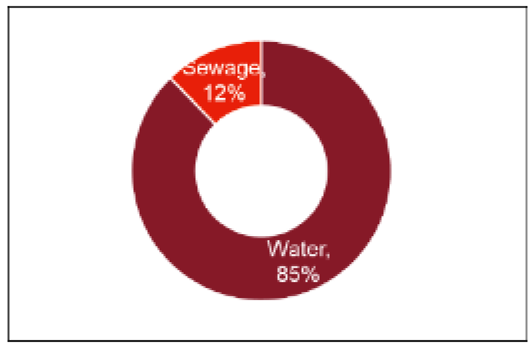


Note: Demand is not adjusted for end of year inventory
Source: CRISIL Research, Industry

Demand by region (FY20)



Demand segmentation by end use (FY20)



Source: CRISIL Research

East - Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Jharkhand, Manipur, Meghalaya, Mizoram, Nagaland, Orissa, Sikkim, Tripura, West Bengal

West – Gujarat, Madhya Pradesh, Maharashtra

North – Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, Rajasthan, Uttar Pradesh, Uttarakhand

South - Andhra Pradesh, Goa, Karnataka, Kerala, Puducherry, Tamil Nadu, Telangana

Western region contributes to approximately 20% to the demand

- Municipal of Greater Mumbai alone had a capital expenditure of ₹ 128 billion in Fiscal 2019.
- The states of Gujarat and Madhya Pradesh have also invested heavily in the infrastructure of WSS.

Southern India contributes 20% to 22% to the DI pipe demand.

- Higher investments in Hyderabad and Bengaluru have paved the way for increased DI pipe usage
- Telangana Water Grid project that envisages to lay 1.26 lakh km stretch of pipelines for supplying water to towns and villages apart from providing water for the industrial needs.
- Other major demand centers in Southern India are Kochi, Vizag, Coimbatore, Madurai, Vijaywada etc.

Eastern region contributes to 22% to 24% to the demand

- While Eastern region houses relatively higher number of states, DI pipe usage in hilly terrains of North East is limited due to its limitations of weight and diameter

Northern region leads DI pipe consumption with higher investments

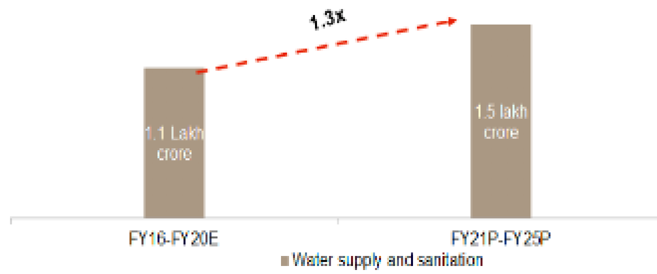
- Rajasthan and Uttar Pradesh are the two major states in Northern region with significant investments in WSS housing key demand pockets of Agra, Lucknow, Kanpur, Allahabad, Varanasi, Chandigarh, Jaipur etc.
- National Mission for Clean Ganga (NMCG) investments are mainly focused towards Northern region

Demand outlook for DI pipe

Over the next 10 years, DI pipe demand is expected to witness a healthy growth rate of 7% to 9%. Demand growth is expected to emanate majorly from Southern and Western region, followed by Northern and Eastern regions.

Government's continuous efforts on increasing the penetration of tap water and improving sewage facilities under various schemes will continue to support the sector over the next 5 years. The same shall be facilitated by:

- Several central the government led schemes such as AMRUT, Swach Bharat Abhayan, National Clean Ganga Mission, etc.
- WSS Investments in next 5 years (Fiscal 2021 to Fiscal 2025) to increase over 1.3 times as compared to last 5 years (Fiscal 2016 to Fiscal 2020) .



Source: CRISIL Research

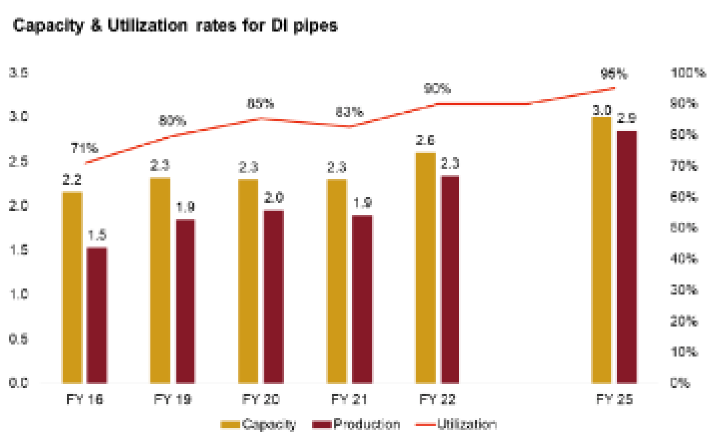
- City level water grids planned by state and municipal corporations such as:
  - Telangana water grid project ₹ 37,000 crore for laying 1.26 lakh km of pipelines for supplying water to towns and villages apart from providing water for the industrial needs
  - Marathwada water grid project to resolve water issues in the district
  - Silk city water project at Behrampur, Odisha (₹ 582 crore) – resolve drinking water problem of Berhampur and also supply water to 52 villages in Aska, Hinjili, Sheragada and Kukudakhandi blocks in Ganjam district.
  - Other various projects planned by state and municipal authorities

Furthermore, it is also expected that DI pipes can potentially find newer application in open water irrigation applications which will provide additional impetus to the segment.

Supply Overview

DI pipes supply review and outlook

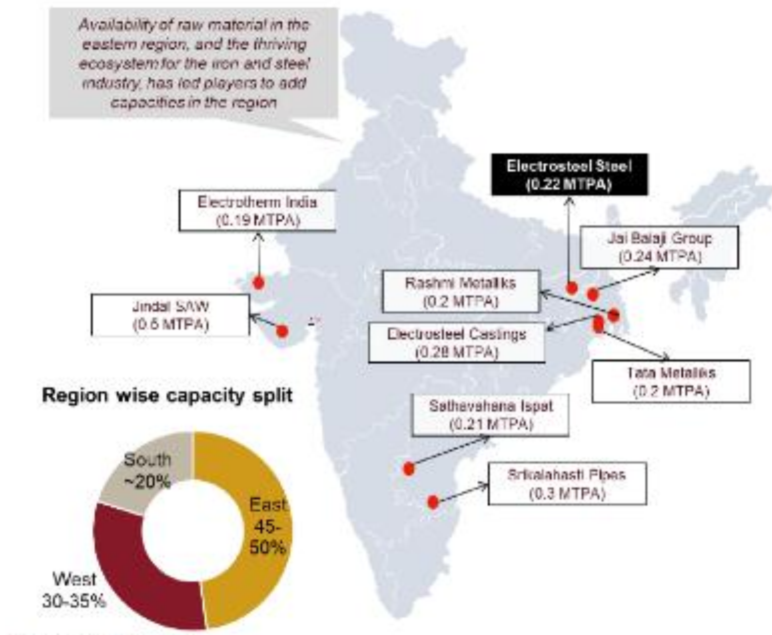
The DI pipe industry is primarily an organised market dominated by a few key players. Currently, there are 8 to 10 DI pipe manufacturers in India, concentrated in the East and South. The aggregate capacity in the sector has risen from 1.7 million tonnes in Fiscal 2014, to 2.3 million tonnes in Fiscal 2020. TATA Metaliks, Electrosteel Steel, Sathavahana Ispat, and Srikalahasthi Pipes have added capacities in the past five year While Electrosteel Steel and Sathavahana Ispat have commissioned greenfield capacities, the other two have expanded existing plant capacities.



In the eastern region, West Bengal houses four manufacturing units, while Jharkhand, another key state for metal industry, houses one. Availability of raw material in the eastern region, and the thriving ecosystem for the iron and steel industry, has led players to add capacities in the region.

CRISIL Research expects 0.7 million tonnes of DI pipe capacity to be added over the next five years primarily led by brownfield expansion by key players. Rashmi Metaliks is planning to increase its current capacity phase wise to 0.5 millionn tonnes over the next 3 years. SMEL has sought environmental clearance for this brownfield expansion at its plant in West Bengal.

Other companies with a strong market share, higher utilization rates and relatively better financial prowess are also expected to increase capacity (mainly Brownfield) beyond 2025. Companies like Jindal SAW, TATA Metaliks, Srikalahasti Pipes and Electrosteel Castings are the leading players who might undertake expansion with the increasing demand.



Source: CRISIL Research

Jindal SAW, a key pipe player in India, has the largest DI pipe plant in India in Mundra, Gujarat, with a capacity of 5 lakh tonnes per annum. Player wise production and utilization levels indicate that Electrosteel Castings, Srikalahasti Pipes and TATA Metaliks operate at relatively higher utilization rate owing to integrated nature of operations, well spread sales network and cost improvement initiatives.

OUR BUSINESS

Some of the information 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 the section "Forward-Looking Statements" on page 15 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations" beginning on pages 21 and 285, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.

Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2018, 2019 and 2020 and for the nine months ended December 31, 2019 and 2020 included herein is derived from the Restated Financial Statements, included in this Draft Red Herring Prospectus. For further information, see "Financial Information" beginning on page 210.

Our Company's Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, in this section, references to "the Company" or "our Company" are to Shyam Metalics and Energy Limited on a standalone basis, and references to "the Group", "we", "us", "our", are to Shyam Metalics and Energy Limited and its Subsidiaries and Associates on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section have been derived from the report "Market Assessment and outlook across Steel Industry value chain" dated February 2021 (the "**CRISIL Report**") prepared and released by CRISIL Research, a division of CRISIL Limited, and commissioned by our Company in connection with the Offer. Also see, "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" on page 13.*

Overview

We are a leading integrated metal producing company based in India (*Source: CRISIL Report*) with a focus on long steel products and ferro alloys. We are amongst the largest producers of ferro alloys in terms of installed capacity in India, as of February 2021 (*Source: CRISIL Report*). We have the ability to sell intermediate and final products across the steel value chain. As of March 31, 2020, we were one of the leading players in terms of pellet capacity and the fourth largest player in the sponge iron industry in terms of sponge iron capacity in India (*Source: CRISIL Report*). We were also one of the leading integrated steel and ferro alloys producers in the eastern region of India in terms of long steel products, as of March 31, 2020 (*Source: CRISIL Report*). We have a consistent track record of delivering operating profitability, and since the commencement of our operations in Fiscal 2005, we have delivered a positive EBITDA in each of the Fiscals.

We currently operate three manufacturing plants that are located at Sambalpur in Odisha, and Jamuria and Mangalpur in West Bengal. As of December 31, 2020, the aggregate installed metal capacity of our manufacturing plants was 5.71 million tonne per annum ("**MTPA**") (comprising of intermediate and final products). Our manufacturing plants also include captive power plants with an aggregate installed capacity of 227 MW, as of December 31, 2020. We are also in the process of increasing the capacities of our existing manufacturing plants and captive power plants, which is expected to increase our aggregate installed metal capacity (comprising of intermediate and final products) from 5.71 MTPA, as of December 31, 2020, to 11.60 MTPA and captive power plants aggregate installed capacity from 227 MW, as of December 31, 2020, to 357 MW. These proposed expansions are expected to become operational between Fiscal 2022 and Fiscal 2025. In addition, we are in the process of commissioning an aluminium foil rolling mill at Pakuria in West Bengal with a proposed installed capacity of 0.04 MTPA, which is expected to become operational in Fiscal 2022.

Our Sambalpur and Jamuria plants operate as 'ore to metal' integrated steel manufacturing plants and comprise captive railway sidings, captive power plants, iron pellet, sponge iron, billet, thermo mechanically treated ("**TMT**"), wire rod and structural mills, and ferro alloy plants. Our integrated manufacturing plants are fungible by design, which provides us with the ability to quickly adapt to continuously evolving market conditions, change our production and product offerings and optimise our operating margins thereby insulating us from price volatility. Further, our Mangalpur plant comprises sponge iron and ferro alloy plants, and a captive power plant. We have eight captive power plants that utilise non-fossil fuels, such as, waste, rejects, heat and gas, generated from our operations to produce electricity, and thereby enable us to operate at lower power costs. In Fiscals 2018, 2019 and 2020, and the nine months ended December 31, 2020, power units produced from our captive power plants accounted for 90.06%, 87.32%, 85.19% and 79.58%, respectively, of our total power units consumed. We believe that the proposed expansion plans of our captive power plants will help us to meet our increased requirement of power and enable us to become more self-sufficient.

We primarily produce intermediate and long steel products, such as, iron pellets, sponge iron, steel billets, TMT, structural products, wire rods, and ferro alloys products with a specific focus on high margin products, such as, customised billets and specialised ferro alloys for special steel applications. Our TMT and structural products are sold under the brand '*SEL*' and logo . We also undertake conversion of hot rolled coils to pipes, chrome ore to ferro chrome and manganese ore to silico manganese for an Indian steel conglomerate. We are also currently in the process of further diversifying our product portfolio by entering into the segments, such as, pig iron, ductile iron pipes and aluminium foil.

Our Sambalpur manufacturing plant caters to customers in the southern and western regions of India whereas our Jamuria and Mangalpur manufacturing plants caters to customers in northern and eastern regions of India. Our product offerings cater to a mix of customers that consist of institutional customers and end-use consumers through our distribution network. Our domestic customers include Jindal Stainless Limited, Jindal Stainless (Hisar) Limited, and Rimjhim Ispat Limited. Our international customers include Norecom DMCC, Norecom Limited, POSCO International Corporation, World Metals & Alloys (FZC), Traxys North America LLC, JM Global Resources Limited, Goenka Steels Private Limited and Vijayshri Steel Private Limited. As of December 31, 2020, we had partnerships with 42 distributors, who stock and sell our finished products across 13 states and one union territory. We also sell our intermediate products through brokers.

Our manufacturing plants are strategically located in close proximity to the mineral belt in eastern India, including, iron ore, iron ore fines, manganese ore, chrome ore and coal mines, our primary raw material sources and ports, which we believe lowers our transportation costs and provides significant logistics management and cost benefits. Our manufacturing plants are well connected by roads, railways and ports. Our Sambalpur and Jamuria manufacturing plants have captive railways sidings which enable us to transport the raw materials and products in a cost and time effective manner. We are one of the few integrated metal producing companies in India with captive railway sidings, as of March 31, 2020 (*Source: CRISIL Report*). We follow stringent quality standards and place a strong emphasis on quality for our products. Our Sambalpur and Jamuria manufacturing plants have obtained quality certifications such as ISO 9001:2015, ISO 14001: 2015, ISO 45001: 2018 and ISO OHSAS 18001:2007. We have also achieved cost efficiencies by utilising waste materials or by-products as raw material inputs for other products and processes.

We have a relatively better financial strength as compared to other companies operating in the long and intermediary steel sector (*Source: CRISIL Report*). We had reported healthy operational as well as financial growth despite downturns in the industry (especially during Fiscal 2009 and Fiscal 2015) (*Source: CRISIL Report*). Our revenue from operations increased at a CAGR of 6.56% from ₹ 38,425.66 million in Fiscal 2018 to ₹ 43,628.86 million in Fiscal 2020 and was ₹ 39,330.84 million in the nine months ended December 31, 2020. Our EBITDA amounted to ₹ 6,340.53 million and ₹ 7,173.17 million in Fiscal 2020 and the nine months ended December 31, 2020, respectively. Further, according to the CRISIL Report, our Company is also the least leveraged group among its peers. As of March 31, 2018, 2019 and 2020 and as of December 31, 2020, our Gross Debt to Equity ratio was 0.30, 0.29, 0.47 and 0.27, respectively. Our RoCE for Fiscals 2018, 2019 and 2020 and for the nine months ended December 31, 2020 was 19.58%, 24.69%, 9.49% and 13.30%, respectively.

On account of the COVID-19 pandemic, India had imposed a nationwide lockdown on March 24, 2020. However, since manufacturing of steel was determined to be an essential commodity, we continued operations at our Sambalpur manufacturing plant, however, our Jamuria and Mangalpur manufacturing plants were operating with few operational production plants and limited workforce, and only after May 23, 2020, our Jamuria and Mangalpur manufacturing plants increased their operations and workforce in a phased manner in accordance with the specific directions/ guidelines issued by the State Government. Further, our manufacturing plants are currently operating subject to certain social distancing and additional safety measures, such as, regular temperature checks, regular sanitization, and compulsory use of masks and hand sanitization. Despite of the impact of the COVID-19 pandemic, our revenue from operations increased by 19.80% from ₹ 32,830.94 million in the nine months ended December 31, 2019 to ₹ 39,330.84 million in the nine months ended December 31, 2020. For further information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations – Impact of the COVID-19 pandemic*" on page 289.

We are led by our individual Promoters, Mahabir Prasad Agarwal, Brij Bhushan Agarwal and Sanjay Kumar Agarwal, who have several decades, respectively, of experience in the steel and ferro alloys industry and have been instrumental in the growth of our Company. We have a diversified Board of Directors, which is supplemented by a strong senior management team with significant experience in the metal industry. As of December 31, 2020, we had a workforce of 11,457 personnel comprised 5,841 permanent employees and 5,616 contract employees for our operations.

Competitive Strengths

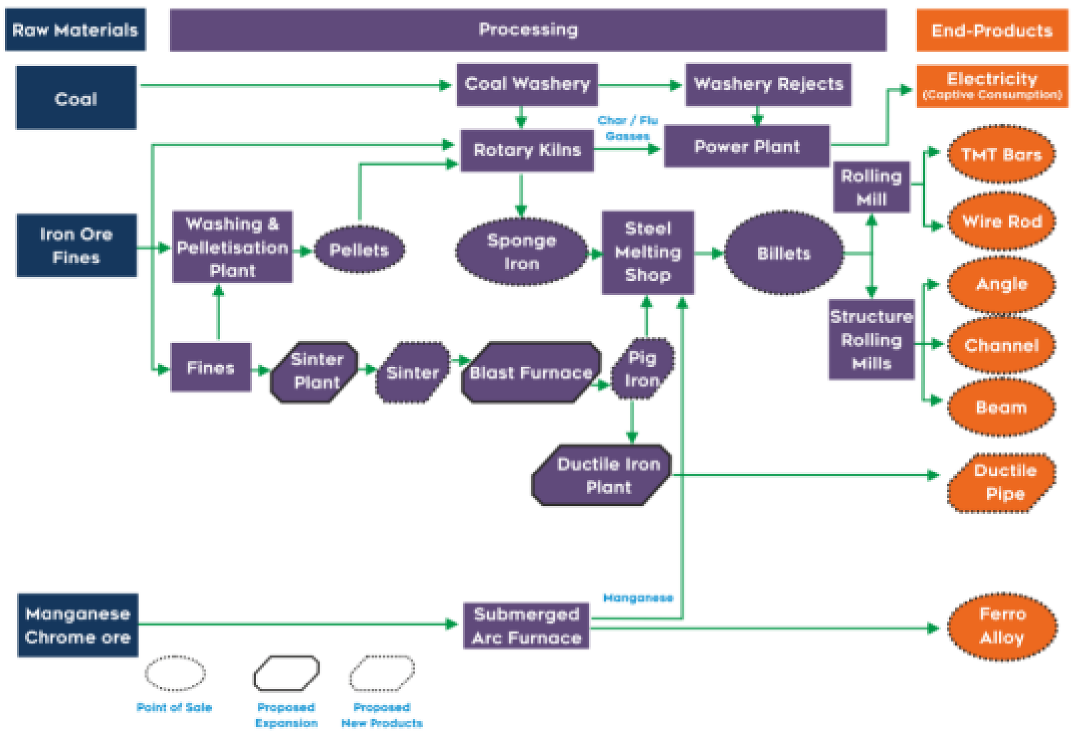
We believe that the following are our principal strengths:

Integrated operations across the steel value chain

We are a leading integrated metal producing company based in India and one of the leading integrated steel and ferro alloys producers in the eastern region of India in terms of long steel products, as of March 31, 2020 (*Source: CRISIL Report*). We currently operate two 'ore to metal' integrated steel manufacturing plants one each in Sambalpur, Odisha and Jamuria, West Bengal. The integrated nature (backward and forward integration) of our manufacturing plants has resulted in the control over all aspects of our operations (with the exception of sourcing of primary raw materials) as well as operating margins, thereby enabling us to focus more on quality and create multiple points of sale across the steel value chain.

The backward integration activities, include, setting up of iron pellet plants and installation of rotary kilns to produce sponge iron. We utilise the sponge iron produced to further manufacture billets, which are not required to be reheated and are directly utilised by our rolling mills to produce TMT bars and wire rods, thereby resulting in cost efficiencies. Whereas, the forward integration activities, include, diversification of our product mix by utilising the billets to produce value added products, such as, TMT bars, structural products and wire rods, which enable us to de-risk our revenue streams and expand our product offerings. Our forward and backward integration activities are generally undertaken by our in-house engineering team who conceptualise and execute such activities in a timely manner with the help of various construction equipment owned by us.

The integrated nature of our operations enables us to maintain greater control over our operating margins. The following flowchart highlights the integrated nature of our operations:



We have undertaken various measures to expand and integrate our steel manufacturing plants. For instance, we commenced operations at our Sambalpur manufacturing plant with a sponge iron plant of 115,500 TPA in 2006. Subsequently, in order to produce TMT bars, we forward integrated the sponge iron plant with a billet plant and rolling mill of 219,000 TPA and 60,000 TPA, respectively, in 2007, and 60,000 TPA structural mill in 2010. In addition, we backward integrated our Sambalpur manufacturing plant by setting up an iron pellet plant in 2013. We believe our continuous backward and forward integration activities and capacity expansions have enabled us to have a better negotiating capacity with our existing suppliers and lowered the cost of our expansions.

In addition, we believe that integration of our operations has provided us with the flexibility to alter our product mix to cater to the continuously evolving market conditions, insulated us from price volatility and optimised our operating margins. For instance, we have the ability to convert the iron pellets we manufacture 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, structural products and wire rod, or can be sold independently in the market.

Strategically located manufacturing plants supported by robust infrastructure resulting in cost and time efficiencies

Our manufacturing facilities are strategically located in close proximity to our raw material sources, which we believe lowers our transportation costs and provides significant logistics management and cost benefits thereby improving our operating margins. Our manufacturing plants are located within 250 kilometres of the mineral belt in eastern India, including, iron ore, iron ore fines, manganese ore, chrome ore and coal mines, our primary raw materials. We believe the strategic location of our manufacturing plants has helped us in creating synergies as well as achieving economies of scale and operational efficiencies. We source our primary raw materials in the following manner:

Raw Material	**Source**
Iron ore / Iron ore fines	Mine owners located in Odisha
Chrome ore	Long term linkages with Odisha Mining Corporation Limited, other mine owners and imports
Manganese ore	MOIL Limited, other mine owners and imports
Coal	Fuel supply agreements entered into with Mahanadi Coalfields Limited, Central Coalfields Limited and South Eastern Coalfields Limited, and imports

Further, our manufacturing plants are well connected by roads, railways and ports. Our Odisha and West Bengal manufacturing plants are in proximity to NH 16 and NH 19, respectively. Our manufacturing plants are located close to our raw material sources and are supported by strong logistics infrastructure, such as private railway siding, which we believe enables us to reduce the logistical costs associated with the transportation of raw materials and products. In particular, our Sambalpur and Jamuria manufacturing plants have captive railways sidings. We are one of the few integrated metal producing companies in India with captive railway sidings, as of March 31, 2020 (*Source: CRISIL Report*). Transportation by rail has resulted in reduction of freight costs and turnaround time of transportation of raw materials to our manufacturing plants and products to our customers. The ports nearest to our Odisha manufacturing plant are Dhamra and Paradip, which are situated within a radius of 300 kilometres while Visakhapatnam port is situated within a radius of 600 kilometres from our Odisha manufacturing plant. The ports nearest to our West Bengal manufacturing plants are Kolkata and Haldia, which are situated within a radius of 300 kilometres from our West Bengal manufacturing plants. We believe that the strategic location of our manufacturing plants has enabled us to export our products to our international customers in a cost efficient manner.

We have also achieved cost efficiencies by utilising waste materials or by-products as raw material inputs for other products and processes. For instance, waste from our coal washery is utilised by our integrated manufacturing plants to produce power. To control our cost of power, we utilise pollution dust, char/ flu gases, waste heat and solid wastes (dolochar) from our sponge iron plants and washery rejects as raw materials for our captive power plants. In Fiscals 2018, 2019 and 2020, and the nine months ended December 31, 2020, the Average cost of Power from Captive Power Plants was ₹ 2.24 per kwh, ₹ 2.16 per kwh, ₹ 2.09 per kwh and ₹ 2.49 per kwh, respectively, which we believe is relatively lesser than the power procured by us from external sources. In addition, we believe our relatively high capacity utilization has led to lower fixed cost per tonne resulting in an increase in our profitability. For further information, see "- *Capacity and Capacity Utilization*" on page 140.

Diversified product mix with strong focus on value added products, such as, ferro alloys, association with reputed customers and robust distribution network

Our products primarily comprise of (i) long steel products, which range from intermediate products, such as, iron pellets, sponge iron and billets and final products, such as, TMT, customised billets, structural products and wire rods; and (ii) ferro alloys with a specific focus on high margin products, such as, specialised ferro alloys for special steel applications. Our TMT and structural products are sold under the brand '*SEL*' and logo . We also undertake conversion of hot rolled coils to pipes, chrome ore to ferro chrome and manganese ore to silico manganese for an Indian steel conglomerate. The forward and backward integration of our manufacturing plants has resulted in multiple points of sale across the steel value chain and provided us with flexibility to sell intermediate products as well as use them for captive consumption, depending on the demand. This has resulted in a diversified product mix, which we believe has reduced our dependency on a particular product and de-risked our revenue streams. The following table provides certain information in relation to the revenue obtained from our products for the periods indicated:

Product	**Fiscal 2018**		**Fiscal 2019**		**Fiscal 2020**		**Nine months ended December 31, 2020**	
	Revenue from sale	**As a % of total revenue from sale of manufactured products**	**Revenue from sale**	**As a % of total revenue from sale of manufactured products**	**Revenue from sale**	**As a % of total revenue from sale of manufactured products**	**Revenue from sale**	**As a % of total revenue from sale of manufactured products**
	(₹ million)	**(%)**	**(₹ million)**	**(%)**	**(₹ million)**	**(%)**	**(₹ million)**	**(%)**
Ferro alloys	11,136.25	30.98%	8,517.08	19.22%	7,525.66	17.99%	5,995.75	15.47%
TMT, structural								

Product	Fiscal 2018		Fiscal 2019		Fiscal 2020		Nine months ended December 31, 2020	
	Revenue from sale	As a % of total revenue from sale of manufactured products	Revenue from sale	As a % of total revenue from sale of manufactured products	Revenue from sale	As a % of total revenue from sale of manufactured products	Revenue from sale	As a % of total revenue from sale of manufactured products
	(₹ million)	(%)	(₹ million)	(%)	(₹ million)	(%)	(₹ million)	(%)
products, wire rods and pipes	5,520.73	15.36%	7,545.85	17.03%	9,594.47	22.93%	14,495.56	37.39%
Steel billets	6,874.48	19.12%	11,187.09	25.24%	10,221.71	24.43%	5,417.82	13.97%
Sponge iron	9113.94	25.35%	12,132.55	27.37%	8,523.86	20.37%	4,402.09	11.35%
Iron pellets	3,305.74	9.20%	4,937.66	11.14%	5,973.10	14.28%	8,456.82	21.81%
Total	**35,951.14**	**100.00%**	**44,320.23**	**100.00%**	**41,838.80**	**100.00%**	**38,768.04**	**100.00%**

We sell our products to institutional customers and end consumers through our distribution network. We also customise and sell our products as per the customer's specifications. Our domestic customers include Jindal Stainless Limited, Jindal Stainless (Hisar) Limited, and Rimjhim Ispat Limited. Our international customers include Norecom DMCC, Norecom Limited, POSCO International Corporation, World Metals & Alloys (FZC), Traxys North America LLC, JM Global Resources Limited, Goenka Steels Private Limited and Vijayshri Steel Private Limited. Our Sambalpur manufacturing plant caters to customers in the southern and western regions of India whereas our Jamuria and Mangalpur manufacturing plants caters to customers in northern and eastern regions of India. As of December 31, 2020, we had partnerships with 42 distributors, who stock and sell our finished products across 13 states and one union territory. In addition, we sell our intermediate products through brokers.

Strong financial performance and credit ratings

We believe our focus on continuous efficiency improvements, improved productivity and cost rationalization has enabled us to deliver consistent and strong financial and operational performance. We have a relatively better financial strength as compared to other companies operating in the long and intermediary steel sector (*Source: CRISIL Report*). Our revenue from operations increased at a CAGR of 6.56% from ₹ 38,425.66 million in Fiscal 2018 to ₹ 43,628.86 million in Fiscal 2020 and was ₹ 39,330.84 million in the nine months ended December 31, 2020. Our EBITDA amounted to ₹ 6,340.53 million and ₹ 7,173.17 million in Fiscal 2020 and the nine months ended December 31, 2020, respectively. Further, since the commencement of our operations in Fiscal 2005, we have delivered a positive EBITDA in each of the Fiscals. As of March 31, 2020, our gearing ratio was one of the lowest amongst our competitors (*Source: CRISIL Report*). In Fiscal 2020, our interest coverage ratio was one of the highest amongst our competitors (*Source: CRISIL Report*). As of March 31, 2018, 2019 and 2020 and as of December 31, 2020, our Gross Debt to Equity ratio was 0.30, 0.29, 0.47 and 0.27, respectively. Our RoCE for Fiscals 2018, 2019 and 2020 and for the nine months ended December 31, 2020 was 19.58%, 24.69%, 9.49% and 13.30%, respectively.

We have also obtained strong credit ratings. In particular, our Company and our Subsidiary, Shyam SEL and Power Limited, has received CRISIL A1+, CRISIL AA-/ Stable, and CRISIL A1+ rating from CRISIL for their short-term (bank facilities) rating, long-term (bank facilities) rating and commercial paper, respectively. In addition, our Company and our Subsidiary, Shyam SEL and Power Limited, has received CARE A1+, CARE AA-/ Stable, and CARE A1+ rating from CARE for their short-term (bank facilities) rating, long-term (bank facilities) rating and commercial paper, respectively.

Experienced Promoters, Board and senior management team

We are led by our individual Promoters, Mahabir Prasad Agarwal, Brij Bhushan Agarwal and Sanjay Kumar Agarwal, who have several decades, respectively, of experience in the steel and ferro alloys industry, and have been instrumental in the growth of our Company. We also have an experienced Board of Directors who have extensive knowledge and understanding of the metal industry and have the expertise and vision to scale up our business. Our Chairman, Mahabir Prasad Agarwal, is responsible for strategic planning and overall administration of our Company. Our Vice Chairman and Managing Director, Brij Bhushan Agarwal, is responsible for implementing our future growth strategies. Our Joint Managing Director, Sanjay Kumar Agarwal, is responsible for the entire production process at our manufacturing plants. Our whole-time Director Deepak Kumar Agarwal is responsible for the finance functions, while Dev Kumar Tiwari and Bhagwan Shaw are responsible for the Sambalpur manufacturing plant and B.C. Burman and Sumit Chakravorty are responsible for the Jamuria and Mangalpur manufacturing plants.

Our diversified Board of Directors is supplemented by a strong senior management team with significant experience in the metal industry and some of them have been associated with our Company since its commencement of operations. Our Board and senior management team are also supported by 11,457 personnel, including, 5,841 permanent employees and 5,616 contract employees, as of December 31, 2020. We believe our manufacturing plants operate in areas with highly skilled and low cost labour, which helps us to keep our operating costs low. For further details of our Key Management Personnel, see "*Our Management*" on page 174.

Our Strategies

The primary elements of our business strategies are as follows:

Continue to increase our manufacturing capacities

We intend to strengthen our leading market position in India and achieve better economies of scale by expanding our existing manufacturing capacities and setting up additional manufacturing plants. We have, over the years, consistently grown our manufacturing capabilities. We have recently undertaken various expansions of our manufacturing plants. For instance, (i) at our Sambalpur manufacturing plant, we installed (a) two iron pellet plants of 300,000 TPA and 600,000 TPA, sponge iron plant of 165,000 TPA, TMT plant of 60,000 TPA, wire rod plant of 200,000 TPA and a captive power plant of 33 MW in Fiscal 2020; and (b) a billet plant of 63,360 TPA in Fiscal 2019; and (ii) at our Jamuria manufacturing plant, we installed (a) a 115,500 TPA sponge iron plant and 95,040 TPA billet in the nine months ended December 31, 2020; (b) an iron pellet plant of 600,000 TPA, a sponge iron plant of 99,000 TPA, a billet plant of 168,960 TPA, a TMT plant of 106,992 TPA, a wire rod plant of 200,000 TPA and a captive power plant of 30 MW in Fiscal 2020; and (c) a ferro alloy plant of 14,000 TPA in Fiscal 2019. For further information in relation to our capacity expansions, see "*History and Certain Corporate Matters - Major events and milestones of our Company*" on page 159.

Consistent with past practice, we will look to add capacity in a phased manner to ensure that we utilize our capacity at optimal levels. We are in the process of increasing the capacities of our existing manufacturing plants and captive power plants. The following table provides certain information in relation to the major proposed expansion plans we intend to undertake to further augment our existing capacities:

Particulars	Unit of measurement	Sambalpur manufacturing plant*		Jamuria manufacturing plant*		Mangalpur manufacturing plant*		Total*		
		Existing installed capacity (as of December 31, 2020)	Proposed capacity expansion	Existing installed capacity (as of December 31, 2020)	Proposed capacity expansion	Existing installed capacity (as of December 31, 2020)	Proposed capacity expansion	Existing installed capacity (as of December 31, 2020)	Proposed capacity expansion	Proposed Grand Total
Captive power plant	MW	118	40	94	90	15	-	227	130	357
Iron pellet plant	TPA	1,200,000	600,000	1,200,000	600,000	-	-	2,400,000	1,200,000	3,600,000
Sponge iron plant(1)	TPA	792,000	561,000	537,900	947,100	60,000	-	1,389,900	1,508,100	2,898,000
Billet plant(2)	TPA	401,280	461,200	491,040	653,440	-	-	892,320	1,114,640	2,006,960
TMT, structural products, wire rods and pipes	TPA	410,000	510,000	410,000	744,000	-	-	820,000	1,254,000	2,074,000
Ferro alloy plant(3)	TPA	98,000	14,000	70,000	-	37,920	-	205,920	14,000	219,920
Blast furnace	TPA	-	-	-	600,000	-	-	-	600,000	600,000
Ductile pipe plant	TPA	-	-	-	200,000	-	-	-	200,000	200,000
Total	**TPA**	**2,901,280**	**2,146,200**	**2,708,940**	**3,744,540**	**97,920**	**-**	**5,708,140**	**5,890,740**	**11,598,880**

**As certified by Kalyan Bhattacharya, Chartered Engineer, by certificate dated February 15, 2021. For further information, see "- Our Manufacturing Plants" on page 139.*

Note:

- *The information relating to the existing installed capacity of our manufacturing plants as of December 31, 2020 and proposed capacity expansion of our manufacturing plants are based on various assumptions and estimates that have been taken into account for calculation of the installed capacity. These assumptions and estimates include the standard capacity calculation practice of the steel industry after examining the calculations and explanations provided by our Company and the capacities and other ancillary equipment installed at the manufacturing plants.*
- *The assumptions and estimates taken specifically into account include the following:*

(1) sponge iron (direct reduced iron): capacity of each kiln in TPD X 330 days per year;
(2) billet: capacity of each furnace in TPH X (24 hours per day/ heat cycle) X 330 days per year; 1 heat cycle = 3 hours;
(3) ferro alloy products: furnace with 1 MVA capacity is equivalent to 1,555.56 TPA. The installed capacity of ferro alloy products may vary depending on the type of ferro alloy produced.

As a result of our proposed capacity expansion plans, our aggregate installed metal capacity (comprising of intermediate and final products) and captive power plants installed capacity are proposed to be increased from 5.71 MTPA, as of December 31, 2020, to 11.60 MTPA, and 227 MW, as of December 31, 2020, to 357 MW, respectively. These proposed expansions are expected to become operational between Fiscal 2022 and Fiscal 2025. These proposed expansion plans are expected to be undertaken on the existing land on which our Sambalpur and Jamuria manufacturing plants are located and will help us in lowering the overall cost of our proposed expansions.

We have proven track record for timely completion of our capacity expansions. The expansion of our capacities will result in further integration of our Sambalpur and Jamuria manufacturing plants, augmentation of our revenues, better cost controls and consequent increase in profitability and presence across the steel value chain. In addition, we believe our expansion plans and strategy will allow us to meet the anticipated increase in steel demand in the future, enable us to supply growing markets more efficiently and drive profitability.

Introduce new products by leveraging our forward integration capabilities

We believe that the forward and backward integration of our Sambalpur and Jamuria manufacturing plants has created cost synergies resulting in cost efficiencies and increase in profitability. We intend to further integrate our operations by using the existing waste and by-products from our operations to introduce new and high margin products. We are currently in the process of further diversifying our product portfolio by entering into the segments, such as, pig iron, ductile iron pipes and aluminium foil. In particular, we intend to use the pig iron from our operations to produce ductile iron pipes. In order to market our new products, we intend to leverage our existing distribution network. Introduction of new products will result in further diversification of products lines, augmentation of profits and further de-risking of our revenue streams.

We are also in the process of (i) setting up a new 200,000 TPA ductile iron pipe plant at our Jamuria manufacturing plant; and (ii) commissioning an aluminium foil rolling mill at Pakuria in West Bengal by installing two mills with an installed capacity of 20,000 TPA each. We expect this aluminium foil rolling mill to become operational in Fiscal 2022.

Continue to maintain low leverage with healthy capitalisation metrics

According to the CRISIL Report, our Company is the least leveraged group among its peers. As of March 31, 2020, our gearing ratio was one of the lowest amongst our competitors (*Source: CRISIL Report*). As of March 31, 2018, 2019 and 2020 and as of December 31, 2020, our Gross Debt to Equity ratio was 0.30, 0.29, 0.47 and 0.27, respectively. Our Gross Debt to EBITDA ratio for Fiscals 2018, 2019 and 2020, and for the nine months ended December 31, 2020, was 0.79, 0.75, 2.10 and 1.24, respectively. We intend to use the Net Proceeds from the Offer to prepay our and our Subsidiary, Shyam SEL and Power Limited's debt. For further details see "*Objects of the Offer*" on page 79. Prepayment of our debt will result in savings on finance cost, freeing up of working capital, reduce our debt to equity ratio for future leverage as well as increase our profits.

Continue to focus on cost efficiency and increase profitability and market share

We intend to focus on keeping our operating costs low, which we believe is critical for remaining profitable, by implementing measures to reduce our operating costs and improving our operational efficiencies. We intend to continuously invest in new infrastructure at our manufacturing plants and are exploring opportunities to obtain synergies in our existing manufacturing plants. For instance, we intend to introduce a new 600,000 TPA blast furnace at our Jamuria manufacturing plant which will enable us to forward integrate by manufacturing pig iron. The gas generated from the blast furnace will be utilised by our captive power plant thereby resulting in lower cost of power. The proposed iron pellet plant at our Jamuria manufacturing plant will enable us to backward integrate our proposed ductile iron pipe plant.

In order to increase our market share, we also aim to selectively acquire established businesses whose operations, resources and capabilities are complementary and/or supplementary to ours. In particular, with the introduction of the Insolvency and Bankruptcy Code, 2016, we intend to explore the possibility of growing inorganically by acquiring stressed steel and ferro alloys plants in order to increase our revenues and profitability. Our proposed acquisitions will revolve around increasing our market share, achieving operating leverage in key markets, increasing sales and distribution network and strengthen cost competitiveness in the market.

Focus on exports

Exports typically result in higher margins and timely realisation of our revenue streams. The National Steel Policy ("**NSP**"), approved by the Government of India in 2017, serves as a long-term policy goal aimed at creating incremental demand and augmenting steel exports. Further, NSP aims to export approximately 24 MT of steel by 2030. In Fiscal 2019, a sharp increase in chrome alloy demand from South Korea, China and Japan supported an increase in exports from India. Exports of chrome alloy increased by 9% year-on-year in Fiscal 2019 due to improved demand from Indonesia, Japan and South Korea. Further, pellet production has increased at a robust rate led by strong domestic demand along with an exceptional increase in export volumes. Share of exports in overall pellet production has increased from 1.5 % in Fiscal 2016 to approximately 18% in Fiscal 2020. The domestic sales of pellets is estimated to have grown at a CAGR of 9% compared to a CAGR of 13% in exports during Fiscal 2017 and Fiscal 2020. In addition, India's exports in manganese alloy are expected to increase by 5% to 7% in Fiscal 2021 on account of weak domestic demand and increase demand from Japan, Taiwan and South Korea as they start increasing their crude steel production. (*Source: CRISIL Report*)

Our revenue from exports amounted to ₹ 4,211.14 million and ₹ 4,402.94 million in Fiscal 2020 and the nine months ended December 31, 2020, respectively. We intend to capitalize on such industry opportunities and increase our exports by leveraging the close proximity of our manufacturing plants to various ports and export products, such as, ferro alloys and specialised billets to international markets. We currently export our products to Nepal, China, Bangladesh, Bhutan, United Kingdom, South Korea, Thailand, Indonesia, Taiwan and Japan, and are currently exploring newer geographies in North America, South America, Europe and Africa in order to increase our exports.

Products

The following table lists our various steel products, as well as their principal end uses/ markets:

Products	Description	Principal End Usage / Markets
Pellet	Pellets are a type of agglomerated iron ore fines, which has better tumbler index when compared with that of parent iron ore 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. The iron pellets are produced with cold crushing strength ('CCS') of 210 plus and porosity of 24 plus which helps to maintain grade in DRI fem – 80 plus and our product mean particle size ('MPS') is approximately 9.5 to 10, which assists in reducing oxygen in kiln and maintain consistency in grade.	Iron pellets are used as raw material for sponge iron and blast furnace. Apart from using items as input for our finished products, we also sell iron pellets, an intermediate product, primarily in the states of West Bengal, Odisha, Chhattisgarh, Maharashtra and Jharkhand. We also export pellet to countries, such as, China
Sponge Iron	Sponge iron is a spongy mass of iron which is a metallic product produced through direct reduction of iron ore/ iron pellet in the solid state. It is a substitute for scrap and is mainly used in making steel through the secondary route. The process of sponge iron making aims to remove the oxygen from iron ore or pellets.	Sponge iron is used as raw material for billets and is a substitute of scrap. We sell sponge iron, an intermediate product, primarily in the states of West Bengal, Chhattisgarh, Jharkhand, Bihar, Assam, Meghalaya, Madhya Pradesh Uttarakhand, Rajasthan, Maharashtra and Gujarat.
Billets	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 our finished products, we also sell billets including customised billets, an intermediate product, primarily in the states of Chhattisgarh, Uttar Pradesh, Punjab, Rajasthan and Maharashtra. We also export billets to Nepal and Bangladesh.
TMT, structural products (angles, channels, beams), wire rods and pipes	TMT bars or Thermo-Mechanically Treated bars are high-strength reinforced bars having a tough outer core and a soft inner core. The very first step of the manufacturing process involves passing the steel wires through a rolling mill stand. Thereafter, these rolled steel wires are again passed through water cooling system. While passing the wires through the water cooling system, the water pressure is optimised. Structural products are hot rolled products of special form like rounds, angels, channels beams.	TMT, structural products (angles, channels and beams), wire rods are used for the construction of buildings, transmission towers, industrial sheds, structures, road, dam and in other various infrastructures. We sell TMT, structural products angles, channels and beams), wire rods and pipes, a finished product, primarily in the states of West Bengal, Odisha, Bihar, Jharkhand, Tripura, Sikkim, Assam, Arunachal Pradesh, Manipur, Meghalaya, Uttrakhand, Uttar Pradesh, Punjab and Haryana. We also undertake conversion of hot rolled coils to pipes exclusively for an Indian steel conglomerate.

Products	Description	Principal End Usage / Markets
Ferro Alloy Products	Ferro alloy refers to various alloys of iron with a high proportion of one or more other elements such as manganese, aluminium, or silicon. 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 produced by us are used as raw materials for the manufacture of stainless steel products. We also sell specialised ferro alloys - low and medium carbon - for special steel applications. We sell ferro alloys of various grades, a finished product, to steel companies primarily in the states of Odisha, Jharkhand, Karnataka, Uttar Pradesh, Haryana and Rajasthan. We also export ferro alloys to South Korea, Indonesia, Thailand, Taiwan, Japan, New Zealand, United Kingdom. We also undertake conversion of manganese ore and chrome ore to silico manganese and ferro chrome respectively for an Indian steel conglomerate on a non-exclusive basis.

Our Manufacturing Plants

The following illustrates the locations of our manufacturing plants:

The following tables highlights certain key characteristics of our existing manufacturing plants:

Manufacturing Plant	Total Installed Metal Capacity (including intermediate and final products) as of December 31, 2020*	Products
Sambalpur, Odisha	2.90 MTPA	Pellet, sponge iron, billets, TMT, structural products, wire rods, and pipes and ferro alloys
Jamuria, West Bengal	2.71 MTPA	Pellet, sponge iron, billets, TMT and structural products, wire rods, and ferro alloys

Manufacturing Plant	Total Installed Metal Capacity (including intermediate and final products) as of December 31, 2020*	Products
Mangalpur, West Bengal	0.10 MTPA	Sponge iron and ferro alloys

As certified by Kalyan Bhattacharya, Chartered Engineer, by certificate dated February 15, 2021.
Note:

- *The information relating to the existing installed capacity of our manufacturing plants as of December 31, 2020 are based on various assumptions and estimates that have been taken into account for calculation of the installed capacity. These assumptions and estimates include the standard capacity calculation practice of the steel industry after examining the calculations and explanations provided by our Company and the capacities and other ancillary equipment installed at the manufacturing plants.*

Our business is operated through our manufacturing plants at Sambalpur, Jamuria and Mangalpur with a combined installed metal capacity of 5.71 MTPA (including intermediate and final products), as of December 31, 2020. Our manufacturing plants are driven by advanced technology and integration, as well as green technologies, which have been instrumental in achieving cost and operational efficiencies.

Aggregate Installed Capacity and Capacity Utilization

The following table sets forth certain information relating to the installed capacity and capacity utilisation (on the basis of total installed capacity and actual production) of our products at our manufacturing plants as of/ for the financial years ended March 31, 2018, 2019 and 2020 and the nine months ended December 31, 2020:

Product	Unit	As of and for the financial year ended March 31,						As of and for the nine months ended December 31, 2020	
		2018		2019		2020			
		Installed Capacity (TPA / MW)*[(1)]	Utilisation (%)*[(2)]	Installed Capacity (TPA / MW)*[(1)]	Utilisation (%)*[(2)]	Installed Capacity (TPA / MW)*[(1)]	Utilisation (%)*[(2)]	Installed Capacity (TPA / MW)*[(1)]	Utilisation (%)*[(2)]
Iron pellet	TPA	900,000	104.24%	900,000	110.27%	2,400,000	103.23%	2,400,000	99.34%
Sponge iron[(3)(a)]	TPA	1,012,800	99.78%	1,012,800	102.45%	1,274,400	98.87%	1,389,900	86.90%
Billet[(3)(b)]	TPA	539,520	80.52%	628,320	97.17%	797,280	97.06%	892,320	100.28%
TMT, structural products, wire rods and pipes	TPA	253,008	73.55%	253,008	80.18%	820,000	79.68%	820,000	70.52%
Ferro alloy products[(3)(c)]	TPA	192,320	89.19%	205,920	91.92%	205,920	85.43%	205,920	67.80%
Captive power plant	MW	164	82.46%	164	85.56%	227	92.57%	227	84.58%

As certified by Kalyan Bhattacharya, Chartered Engineer, by certificate dated February 15, 2021.
Notes:
(1) The information relating to the existing installed capacity of our manufacturing plants as of dates indicated above are based on various assumptions and estimates that have been taken into account for calculation of the installed capacity. These assumptions and estimates include the standard capacity calculation practice of the steel industry after examining the calculations and explanations provided by our Company and the capacities and other ancillary equipment installed at the manufacturing plants.
(2) Capacity utilization has been calculated on the basis of actual production during the relevant period divided by the aggregate installed capacity of relevant manufacturing plant as of at the end of the relevant period. In the case of capacity utilization for the period ending December 31, 2020, the capacity utilization has been calculated by dividing the actual production for the period with the proportionate installed capacity for the relevant period.
(3) The assumptions and estimates taken specifically into account include the following:
(a) sponge iron (direct reduced iron): capacity of each kiln in TPD X 330 days per year;
(b) billet: capacity of each furnace in TPH X (24 hours per day/ heat cycle) X 330 days per year; 1 heat cycle = 3 hours;
(c) ferro alloy products: furnace with 1 MVA capacity is equivalent to 1,555.56 TPA. The installed capacity of ferro alloy products may vary depending on the type of ferro alloy produced.

Also, see "*Risk Factors – Information relating to our installed capacities and capacity utilization of our manufacturing plants included in this Draft Red Herring Prospectus are based on various assumptions and estimates and future production and capacity utilization may vary.*" on page 39.

Sambalpur Manufacturing Plant

The Sambalpur manufacturing plant is located in the state of Odisha and consists of an integrated steel plant with an installed metal capacity of 2.90 MTPA (including intermediate and final products), as of December 31, 2020.

As of December 31, 2020, the manufacturing plant comprises of two pellet plant, seven direct reduced iron kilns for sponge iron (two kilns of 350 TPD each, two kilns of 100 TPD and three kilns of 500 TPD each), 12 billet furnaces (four furnaces of 18 TPH each, four furnaces of 8 TPH each and four furnaces of 12 TPH each), one rolling, structural, wire rod and pipe mill each and seven ferro alloy furnaces (two furnaces of 6.0 MVA each, two furnaces of 9 MVA each and three furnaces of 11 MVA each).

The following table highlights the installed capacities as of December 31, 2020 and proposed capacity expansions at our Sambalpur manufacturing plant:

Particulars	Existing Installed Capacities as of December 31, 2020*	Proposed Capacity Expansion*
Pellet	1,200,000 TPA	600,000 TPA
Sponge iron(1)	792,000 TPA	561,000 TPA
Billet(2)	401,280 TPA	461,200 TPA
Rolling mill and wire rod mill	320,000 TPA	510,000 TPA
Structure mill	60,000 TPA	-
Pipe mill	30,000 TPA	-
Ferro alloy(3)	98,000 TPA	14,000 TPA

**As certified by Kalyan Bhattacharya, Chartered Engineer, by certificate dated February 15, 2021.*

Note:

- *The information relating to the existing installed capacity of our manufacturing plant as of December 31, 2020 and proposed capacity expansion of our manufacturing plant are based on various assumptions and estimates that have been taken into account for calculation of the installed capacity. These assumptions and estimates include the standard capacity calculation practice of the steel industry after examining the calculations and explanations provided by our Company and the capacities and other ancillary equipment installed at the manufacturing plant.*
- *The assumptions and estimates taken specifically into account include the following:*

(1) sponge iron (direct reduced iron): capacity of each kiln in TPD X 330 days per year;
(2) billet: capacity of each furnace in TPH X (24 hours per day/ heat cycle) X 330 days per year; 1 heat cycle = 3 hours;
(3) ferro alloy products: furnace with 1 MVA capacity is equivalent to 1,555.56 TPA. The installed capacity of ferro alloy products may vary depending on the type of ferro alloy produced.

The Sambalpur manufacturing plant has four captive power plants comprising one of 33 MW, two of 30 MW each and one of 25 MW, aggregating to 118 MW, as of December 31, 2020, which utilise non-fossil fuel, pollution dust, waste heat and solid wastes (dolochar) and char / flu gases from our sponge iron plants and washery rejects to generate electricity. Any shortfall in the electricity requirements of the manufacturing plant is met with power supply from WESCO. To meet our increasing power requirements consequent to our proposed capacity expansion, we are in the process of adding another 40 MW captive power plant in the same premises as our Sambalpur manufacturing plant.

The Sambalpur manufacturing plant draws 5.64 cusecs of water annually from the Hirakud reservoir pursuant to an agreement with the government of Odisha. The manufacturing plant has a captive railway siding and is in close proximity to NH 16. The nearest ports to the manufacturing plant are Dhamra and Paradip, which are located in Odisha and Visakhapatnam which is located in Andhra Pradesh.

Raw material procurement

Coal – We primarily procure coal pursuant to fuel supply agreements ("**FSAs**") entered into with Mahanadi Coalfields Limited ("**MCL**") in September 2016, October 2016 and December 2018, and South Eastern Coalfields Limited ("**SECL**") in March and April 2019. The

FSAs are valid for a term of five years and are extendable by a further period of five years by way of mutual agreement between us and MCL or SECL (as the case maybe). Under the FSAs, we are obligated to offtake atleast 75% of the annual contracted capacity of the coal, failing which we are required to pay liquidated damages to MCL or SECL (as the case maybe). In addition to the fuel supply agreements, we also buy imported coal on a purchase order basis.

Chrome Ore – We procure chrome ore from Odisha Mining Corporation Limited. Further, we are obligated to offtake atleast 90% of the annual contracted capacity of the chrome ore from Odisha Mining Corporation Limited, failing which we are required to pay damages equivalent to 5% of the entire sale value of the allotted quantity. We also procure chrome ore from other mine owners on a purchase order basis and imports.

Iron Ore / Iron Ore Fines – We procure iron ore / iron ore fines from various owners of mines in Barbil, Odisha on a purchase order basis.

Manganese Ore – We procure manganese ore from MOIL Limited and other mine owners on a purchase order basis as well as from imports.

Installed capacity and capacity utilisation

The following table sets forth certain information relating to the installed capacity and capacity utilisation (on the basis of total installed capacity and actual production) of our products at our Sambalpur manufacturing plant as of/ for the financial years ended March 31, 2018, 2019 and 2020 and the nine months ended December 31, 2020:

Product	Unit	As of and for the financial year ended March 31,						As of and for the nine months ended December 31, 2020	
		2018		2019		2020			
		Installed Capacity (TPA / MW)*(1)	Utilisation (%)*(2)	Installed Capacity (TPA / MW)*(1)	Utilisation (%)*(2)	Installed Capacity (TPA / MW)*(1)	Utilisation (%)*(2)	Installed Capacity (TPA / MW)*(1)	Utilisation (%)*(2)
Iron pellet	TPA	300,000	105.91%	300,000	89.78%	1,200,000	91.71%	1,200,000	92.10%
Sponge iron(3)(a)	TPA	627,000	88.04%	627,000	93.41%	792,000	94.06%	792,000	74.07%
Billet(3)(b)	TPA	337,920	68.44%	401,280	89.02%	401,280	89.80%	401,280	109.08%
TMT, structural products, wire rods and Pipes	TPA	150,000	64.91%	150,000	77.98%	410,000	67.18%	410,000	73.19%
Ferro alloy products(3)(c)	TPA	98,000	82.98%	98,000	69.75%	98,000	64.80%	98,000	65.15%
Captive power plant	MW	85	80.98%	85	93.75%	118	91.78%	118	90.28%

**As certified by Kalyan Bhattacharya, Chartered Engineer, by certificate dated February 15, 2021.*

Notes:

(1) The information relating to the existing installed capacity of our manufacturing plant as of dates indicated above are based on various assumptions and estimates that have been taken into account for calculation of the installed capacity. These assumptions and estimates include the standard capacity calculation practice of the steel industry after examining the calculations and explanations provided by our Company and the capacities and other ancillary equipment installed at the manufacturing plant.

(2) Capacity utilization has been calculated on the basis of actual production during the relevant period divided by the aggregate installed capacity of the manufacturing plant as of at the end of the relevant period. In the case of capacity utilization for the period ending December 31, 2020, the capacity utilization has been calculated by dividing the actual production for the period with the proportionate installed capacity for the relevant period.

(3)The assumptions and estimates taken specifically into account include the following:

(a) sponge iron (direct reduced iron): capacity of each kiln in TPD X 330 days per year;

(b) billet: capacity of each furnace in TPH X (24 hours per day/ heat cycle) X 330 days per year; 1 heat cycle = 3 hours;

(c) ferro alloy products: furnace with 1 MVA capacity is equivalent to 1,555.56 TPA. The installed capacity of ferro alloy products may vary depending on the type of ferro alloy produced.

Jamuria Manufacturing Plant

The Jamuria manufacturing plant is located in the state of West Bengal and consists of an integrated steel plant with an installed metal capacity of 2.71 MTPA (including intermediate and final products), as of December 31, 2020.

As of December 31, 2020, the manufacturing plant comprises of two pellet plants (600,000 TPA each), eight direct reduced iron kilns for sponge iron (one kiln of 350 TPD, three kilns of 300 TPD each, two kilns of 90 TPD each and two kilns of 100 TPD), 18 billet furnaces (four furnaces of 5 TPH each, two furnaces of 15 TPH each, four furnaces of 18 TPH each and eight furnaces of 8 TPH each), one rolling, one wire rod and one structural mill each and six ferro alloy furnaces (two furnaces of 4.5 MVA each and four furnaces of 9 MVA each).

The following table highlights the installed capacities as of December 31, 2020 and the proposed capacity expansions at our Jamuria manufacturing plant:

Particulars	Existing Installed Capacities as of December 31, 2020*	Proposed Capacity Expansion*
Pellet	1,200,000 TPA	600,000 TPA
Sponge iron(1)	537,900 TPA	947,100 TPA
Billet(2)	491,040 TPA	653,440 TPA
Rolling mill and wire rod mill	350,000 TPA	744,000 TPA
Structure mill	60,000 TPA	-
Ferro alloy(3)	70,000 TPA	-
Blast furnace	-	600,000 TPA
Ductile pipe	-	200,000 TPA

**As certified by Kalyan Bhattacharya, Chartered Engineer, by certificate dated February 15, 2021.*

Note:

- *The information relating to the existing installed capacity of our manufacturing plant as of December 31, 2020 and proposed capacity expansion of our manufacturing plant are based on various assumptions and estimates that have been taken into account for calculation of the installed capacity. These assumptions and estimates include the standard capacity calculation practice of the steel industry after examining the calculations and explanations provided by our Company and the capacities and other ancillary equipment installed at the manufacturing plant.*
- *The assumptions and estimates taken specifically into account include the following:*

(1) sponge iron (direct reduced iron): capacity of each kiln in TPD X 330 days per year;
(2) billet: capacity of each furnace in TPH X (24 hours per day/ heat cycle) X 330 days per year; 1 heat cycle = 3 hours;
(3) ferro alloy products: furnace with 1 MVA capacity is equivalent to 1,555.56 TPA. The installed capacity of ferro alloy products may vary depending on the type of ferro alloy produced.

As of December 31, 2020, the Jamuria manufacturing plant has three captive power plants (1 X 21 MW, 1 X 43 MW and 1 X 30 MW) aggregating to 94 MW which utilise non-fossil fuel, char/ flu gases, pollution dust, waste heat and solid wastes (dolochar) from our sponge iron plants to generate electricity. Any shortfall in the electricity requirements of the manufacturing plant was met with power supply from India Power Corporation Limited and Damodar Valley Corporation. To meet our increasing power requirements consequent to our proposed capacity expansion, we are in the process of adding another 90 MW captive power plant in the same premises as our Jamuria manufacturing plant.

The Jamuria manufacturing plant draws water from the Ajoy river. Asansol Municipal Corporation also supplies water to the Jamuria manufacturing plant. The manufacturing plant has a captive railway siding and is in close proximity to NH 19. The nearest ports to the manufacturing plant are Kolkata and Haldia, both located in West Bengal.

Raw material procurement

Coal – We primarily purchase coal pursuant to FSAs entered into with Central Coalfields Limited ("**CCL**") in October 2016, December 2018, April 2019 and June 2020, and MCL in October 2016. The FSAs are valid for a term of five years and are extendable by a further period of five years by way of mutual agreement between us and MCL or CCL (as the case maybe). Under the FSAs, we are obligated to offtake atleast 75% of the annual contracted capacity of the coal, failing which we are required to pay liquidated damages to MCL or CCL (as the case maybe). In addition to the FSAs, we also buy imported coal on a purchase order basis.

Iron Ore / Iron Ore Fines – We procure iron ore / iron ore fines from various owners of mines in Barbil, Odisha on a purchase order basis.

Manganese Ore – We procure manganese ore from MOIL Limited and other mine owners on a purchase order basis as well as from imports.

Installed capacity and capacity utilisation

The following table sets forth certain information relating to the installed capacity and capacity utilisation (on the basis of total installed capacity and actual production) of our products at our Jamuria manufacturing plant as of/ for the financial years ended March 31, 2018, 2019 and 2020 and the nine months ended December 31, 2020:

Product	Unit	As of and for the financial year ended March 31,						As of and for the nine months ended December 31, 2020	
		2018		2019		2020			
		Installed Capacity (TPA / MW)*(1)	Utilisation (%)*(2)	Installed Capacity (TPA / MW)*(1)	Utilisation (%)*(2)	Installed Capacity (TPA / MW)*(1)	Utilisation (%)*(2)	Installed Capacity (TPA / MW)*(1)	Utilisation (%)*(2)
Iron pellet	TPA	600,000	103.41%	600,000	120.52%	1,200,000	110.39%	1,200,000	106.54%
Sponge iron(3)(a)	TPA	325,800	112.09%	325,800	115.21%	422,400	95.94%	537,900	104.17%
Billet(3)(b)	TPA	201,600	100.56%	227,040	109.74%	396,000	106.63%	491,040	92.02%
TMT, structural products, wire rods and pipes	TPA	103,008	86.62%	103,008	96.60%	410,000	96.19%	410,000	67.47%
Ferro alloy products(3)(c)	TPA	56,400	102.74%	70,000	121.01%	70,000	100.13%	70,000	65.32%
Captive power plant	MW	64	85.55%	64	79.71%	94	93.65%	94	78.82%

**As certified by Kalyan Bhattacharya, Chartered Engineer, by certificate dated February 15, 2021.*

Notes:

(1) The information relating to the existing installed capacity of our manufacturing plant as of dates indicated above are based on various assumptions and estimates that have been taken into account for calculation of the installed capacity. These assumptions and estimates include the standard capacity calculation practice of the steel industry after examining the calculations and explanations provided by our Company and the capacities and other ancillary equipment installed at the manufacturing plant.

(2) Capacity utilization has been calculated on the basis of actual production during the relevant period divided by the aggregate installed capacity of the manufacturing plant as of at the end of the relevant period. In the case of capacity utilization for the period ending December 31, 2020, the capacity utilization has been calculated by dividing the actual production for the period with the proportionate installed capacity for the relevant period.

(3)The assumptions and estimates taken specifically into account include the following:

(a) sponge iron (direct reduced iron): capacity of each kiln in TPD X 330 days per year;

(b) billet: capacity of each furnace in TPH X (24 hours per day/ heat cycle) X 330 days per year; 1 heat cycle = 3 hours;

(c) ferro alloy products: furnace with 1 MVA capacity is equivalent to 1,555.56 TPA. The installed capacity of ferro alloy products may vary depending on the type of ferro alloy produced.

Mangalpur manufacturing plant

The Mangalpur manufacturing plant is located in the state of West Bengal and consists of steel plant with an installed metal capacity of 0.10 MTPA (including intermediate and final products), as of December 31, 2020.

The manufacturing plant comprises of direct reduced iron kilns for sponge iron plants (three kilns of 100 TPD each) and ferro alloy furnaces (one furnace of 4.5 MVA and two furnaces of 9 MVA each), as of December 31, 2020.

The following table highlights the installed capacities as of December 31, 2020 of our Mangalpur manufacturing plant:

Particulars	Existing Installed Capacities as of December 31, 2020*
Sponge Iron[(1)]	60,000 TPA
Ferro alloy[(2)]	37,920 TPA

**As certified by Kalyan Bhattacharya, Chartered Engineer, by certificate dated February 15, 2021.*
Note:

- *The information relating to the existing installed capacities of our manufacturing plant as of December 31, 2020 are based on various assumptions and estimates that have been taken into account for calculation of the installed capacity. These assumptions and estimates include the standard capacity calculation practice of the steel industry after examining the calculations and explanations provided by our Company and the capacities and other ancillary equipment installed at the manufacturing plant.*
- *The assumptions and estimates taken specifically into account include the following:*

(1) sponge iron (direct reduced iron): capacity of each kiln in TPD X 330 days per year; and
(2) ferro alloy products: furnace with 1 MVA capacity is equivalent to 1,555.56 TPA. The installed capacity of ferro alloy products may vary depending on the type of ferro alloy produced.

The Mangalpur manufacturing plant has one captive power plant of 15 MW, as of December 31, 2020, which utilises non-fossil fuel, pollution dust, char/ flu gases, waste heat and solid wastes (dolochar) from our sponge iron plants to generate electricity. Any shortfall in the electricity requirements of the manufacturing plant is met with power supply from India Power Corporation Limited and Damodar Valley Corporation. The manufacturing plant is in close proximity to NH 19. The nearest ports to the manufacturing plant are Kolkata and Haldia, both located in West Bengal.

Raw material procurement

Coal – We primarily procure coal pursuant to FSAs entered into with CCL in April 2018 and April 2019. The FSAs are valid for a term of five years and are extendable by a further period of five years by way of mutual agreement between us and CCL. Under the FSAs, we are obligated to offtake atleast 75% of the annual contracted capacity of the coal, failing which we are required to liquidated damages to CCL. In addition to the FSAs, we also buy imported coal on a purchase order basis.

Iron Ore – We procure iron ore from various owners of mines in Barbil, Odisha on a purchase order basis.

Manganese Ore – We procure manganese ore from MOIL Limited and other mine owners on a purchase order basis as well as from imports.

Installed capacity and capacity utilisation

The following table sets forth certain information relating to the installed capacity and capacity utilisation (on the basis of total installed capacity and actual production) of our products at our Mangalpur manufacturing plant as of/ for the financial years ended March 31, 2018, 2019 and 2020 and the nine months ended December 31, 2020:

Product	Unit	As of and for the financial year ended March 31,						As of and for the nine months ended December 31, 2020	
		2018		2019		2020			
		Installed Capacity (TPA / MW)*[(1)]	Utilisation (%)*[(2)]	Installed Capacity (TPA / MW)*[(1)]	Utilisation (%)*[(2)]	Installed Capacity (TPA / MW)*[(1)]	Utilisation (%)*[(2)]	Installed Capacity (TPA / MW)*[(1)]	Utilisation (%)*[(2)]
Sponge iron[(3)(a)]	TPA	60,000	136.94%	60,000	127.54%	60,000	170.84%	60,000	131.08%
Ferro alloy products[(3)(b)]	TPA	37,920	85.06%	37,920	107.12%	37,920	113.80%	37,920	81.50%
Captive power plant	MW	15	77.72%	15	68.53%	15	92.36%	15	70.77%

**As certified by Kalyan Bhattacharya, Chartered Engineer, by certificate dated February 15, 2021.*

Notes:

(1) The information relating to the existing installed capacity of our manufacturing plant as of dates indicated above are based on various assumptions and estimates that have been taken into account for calculation of the installed capacity. These assumptions and estimates include the standard capacity calculation practice of the steel industry after examining the calculations and explanations provided by our Company and the capacities and other ancillary equipment installed at the manufacturing plant.

(2) Capacity utilization has been calculated on the basis of actual production during the relevant period divided by the aggregate installed capacity of the manufacturing plant as of at the end of the relevant period. In the case of capacity utilization for the period ending December 31, 2020, the capacity utilization has been calculated by dividing the actual production for the period with the proportionate installed capacity for the relevant period.

(3) The assumptions and estimates taken specifically into account include the following:

(a) sponge iron (direct reduced iron): capacity of each kiln in TPD X 330 days per year;

(b) ferro alloy products: furnace with 1 MVA capacity is equivalent to 1,555.56 TPA. The installed capacity of ferro alloy products may vary depending on the type of ferro alloy produced.

Proposed Manufacturing Plant

The following tables highlights certain key characteristics of our proposed manufacturing plant:

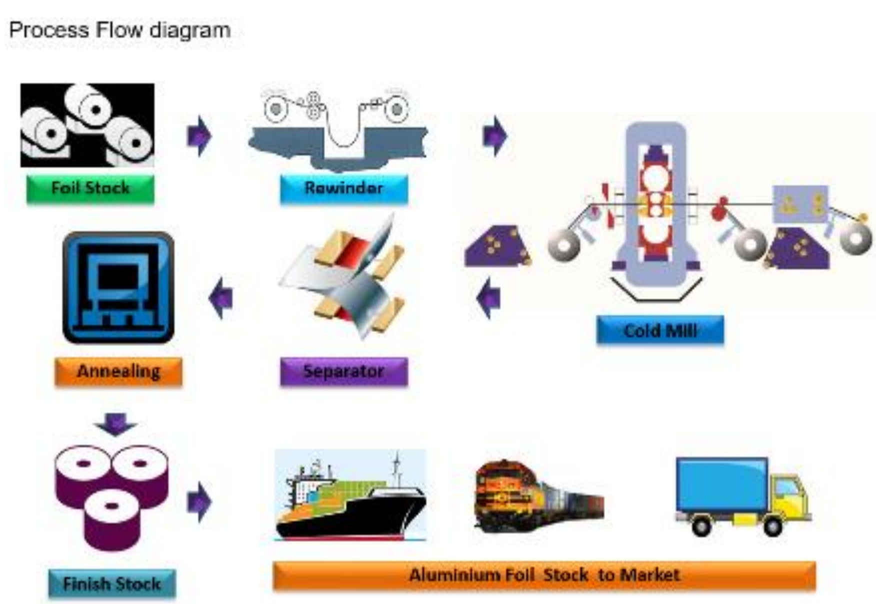
Manufacturing Plant	Proposed Installed Metal Capacity (including intermediate and final products)	Products
Pakuria, West Bengal	0.04 MTPA	Aluminium foil rolling mill

**As certified by Kalyan Bhattacharya, Chartered Engineer, by certificate dated February 15, 2021.*

Note:

- *The information relating to the proposed installed capacity of our manufacturing plant is based on various assumptions and estimates that have been taken into account for calculation of the proposed installed capacity. These assumptions and estimates include the standard capacity calculation practice of the steel industry after examining the calculations and explanations provided by our Company and the capacities and other ancillary equipment installed at the manufacturing plants.*

The following chart highlights the proposed operations of our aluminium foil rolling mill at Pakuria:



Sales, Marketing and Distribution

Our product range is supported by a diverse sales and distribution network throughout India and globally. We distribute our products in the domestic market by selling through distribution network comprising of wholesale traders, distributors, channel partners and dealers as well as sell directly to institutional customers. In the export market, we use a combination of direct sales to institutional customers and sales through international trading houses. Our TMT and structural products are sold under the brand '*SEL*' and logo . Our sales contracts are a mix of medium term and spot contracts.

We have created dedicated sales and marketing teams for each of our product segments, who are responsible for understanding and adapting to the needs of our customers for each particular product segment. We are also focusing on specific markets where we believe there is room for penetration into high value projects/ products. Our marketing team is also focused on selling products, such as, selling customised billets, specialised ferro alloys for special steel applications. We believe that we have created a place for our Company in terms of product customization in all major product segments by offering a holistic product solution. For instance, our cut and bend TMT bars are customizable.

Our manufacturing plants are well connected through national road highways and major rail networks, which act as distribution enablers. We also use a coordinated multimodal transportation network for adherence to delivery commitments. Our manufacturing plants are also connected to all major ports through railways which facilitate export shipments.

We also undertake various "above-the-line" and "below-the-line" promotional activities for promoting our products. As of December 31, 2020, we had partnerships with 42 distributors, who stock and sell our products across 13 states and one union territory. We sell our intermediate products through brokers.

Customers

Our product offerings cater to a mix of customers that consist of institutional customers and end-use consumers through our distribution network. Our domestic customers include Jindal Stainless Limited, Jindal Stainless (Hisar) Limited, and Rimjhim Ispat Limited. Our international customers include Norecom DMCC, Norecom Limited, POSCO International Corporation, World Metals & Alloys (FZC), Traxys North America LLC, JM Global Resources Limited, Goenka Steels Private Limited and Vijayshri Steel Private Limited. In Fiscals 2018, 2019 and 2020, and in the nine months ended December 31, 2020, our top 10 customers represented 26.10%, 24.52%, 22.36% and 15.57%, respectively, of our total revenues from operations in such periods. Our largest customer represented 4.00%, 4.56%, 3.73% and 2.31%, respectively, of our total revenues from operations in Fiscals 2018, 2019 and 2020, and in the nine months ended December 31, 2020, respectively.

Pricing

We set the prices for our products based on market demand, our production capacity, transportation costs, inventory levels, competitors' prices and credit terms. Prices for different regions are also affected by local regulations and tax policies. A minimum price level is set for each type of products. Our central sales department evaluates the factors affecting our selling price on a regular basis and adjusts our minimum prices when appropriate and also determines the various schemes, offers and discounts applicable on our products. We are generally responsible for shipping costs and include such costs in the sales price. We usually sell our products by prepayment, credit sales or letter of credits.

Production Management and Inventory Control

We plan our production and manage the inventory level of our finished products on a monthly basis based on projected sales volumes and make periodic adjustments to the production schedule and volumes based on actual orders received. We closely supervise our daily production and aim to maintain suitable inventory levels of raw materials and finished goods at each of our integrated manufacturing facility. We maintain different inventory levels for raw materials depending on lead time required to obtain additional supplies.

Logistics

Our suppliers either deliver our raw materials directly to us or we are required to collect the raw materials from our suppliers, depending on the contract terms, at our own costs. Our Sambalpur and Jamuria manufacturing plants have captive railways sidings, which enable us to transport the raw materials and finished products. We also hire third party logistics companies to transport our raw materials and finished products from/ to our suppliers and customers, respectively. Further, we rely on the freight ships for the transport of imported coal as well as for export of our products. Some of our distributors and direct sale customers collect their purchases at their own costs at our manufacturing plants. For certain large infrastructure construction projects and government infrastructure projects, we arrange and pay for the shipment of our products from our manufacturing plants to construction sites for our customers.

Internal Controls

We have put in place a system of internal controls to help ensure that all assets are safeguarded against loss from unauthorized use or disposition, and that transactions are authorized, recorded and reported correctly. In addition, the internal financial control and reporting process ensures robust financial monitoring and ensures compliance. We deploy standard policies and procedures, covering relevant business aspects, which are designed to facilitate effective oversight on business operations. Our internal control system is periodically reviewed by the management, and supplemented by an extensive program of internal and external audits. Financial and other records are reliable for preparing financial information, maintaining accountability of assets and providing reliable management information.

Power and Fuel

Coal and electricity are principal sources of energy for steel production. Power and fuel account for a certain amount of our total expenses. In Fiscals 2018, 2019 and 2020 and the nine months ended December 31, 2020, the power, fuel and electricity accounted for 2.84%, 3.76%, 6.03% and 4.69%, respectively, of our total expenses. We primarily utilize coal as a fuel during the process of steel production as well as in our captive power plant, while electricity is used across all processes.

In addition, we also earn revenue through the sale of power generated from our 5.1 MW capacity wind mill, as of December 31, 2020, at Sangli, Maharashtra to Maharashtra State Electricity Distribution Company Limited.

Environmental Management

Our activities are subject to the environmental laws and regulations of India, which govern, among other things, air emissions, waste water discharges, the remediation of contaminated sites and natural resource damages. For information regarding applicable environmental laws and regulations, see "*Key Regulations and Policies in India*" on page 151.

We have adopted various environmental management practices for operating our manufacturing plants. Conservation of natural resources and pollution control initiatives are integral components of our operational module. Integrated management systems are followed across all of our businesses. We also have a safety, health and environment manual. Some of the steps taken by us under our environment management system are as follows:

- Installation of electro static precipitators and bag filters in order to control the suspended particulate matter concentration from different processes at our manufacturing plants;
- Installation of fixed water sprinklers to control emissions;
- Installation of rain water harvesting system to recharge ground water and minimize withdrawal of surface water;
- Installation of online effluent quality monitoring systems which enable real time checks on the performance of pollution control devices through continuous online monitoring systems for stack emissions as well as ambient air quality;
- Installation of continuous emission monitoring system and ambient air quality management system;
- Utilisation of fly ash generated from the manufacturing process to manufacture fly ash bricks which are used for captive consumption as well sales to third parties, and helps in reducing pollution;
- Installation of effluent treatment plant and waste water treatment plant to treat the waste water generated from the manufacturing plants; and
- Environmental audit of our manufacturing plants by a third party consultant.

Further, in recognition of our efforts, we achieved a 4.5 star rating in 2019 in the 'large scale category' of Energy Conservation Awards, CII Eastern Region.

Occupational Health and Safety

Our activities are subject to the health and safety laws and regulations of India, which govern, among other things, the handling, storage and disposal of hazardous substances and wastes, and employee health and employee safety. For information regarding applicable health and safety laws and regulations, see "*Key Regulations and Policies in India*" on page 151.

Our Sambalpur and Jamuria manufacturing plants have obtained quality certifications such as ISO 9001:2015, ISO 14001: 2015, ISO 45001: 2018 and ISO OHSAS 18001:2007.

We continue to ensure compliance with applicable health and safety regulations and other requirements in our operations. We aim to conduct our operations free from accidents and occupational hazards. We have implemented various practices at our operational units to ensure the safety of our people, including contractors and temporary labourers. Further, we strive to provide a safe working ecosystem for our people and accordingly, aim to follow all statutory requirements.

We also have a safety, health and environment manual. Some of the salient features of this manual are as follows:

- providing health and safety training across all levels of organisational hierarchy;
- identifying and mitigating occupational health and hygienic hazards;
- actively engaging with contractors, suppliers and business partners for safe performance on their part;
- reporting and investigating all accidents to prevent recurrences;
  integration of health and safety aspects in all business decisions; and
- periodical health and safety audit.

Repair and Maintenance

We schedule regular repair and maintenance programs for our manufacturing plants to maximize production efficiency and avoid unexpected interruption of our operations. We also have periodic scheduled shutdowns for maintenance. Our machinery and electrical repair teams carry out day-to-day maintenance and repair of the manufacturing plants and machinery on an as-needed basis. In addition, our manufacturing plants are also periodically inspected by independent inspection agencies.

Intellectual Property

We have obtained registration for the trademark, . In addition, we have made various trademark registrations applications for, amongst others, our name and our corporate logo, , and the "*SMEL*" wordmark under various classes, with the Registrar of Trademarks in India under the Trade Marks Act, 1999. Further, we have copyright registrations for and from the Deputy Registrar of Copyrights in India. For further details, please see "*Government Approvals*" on page 330.

Information Technology Systems

Our manufacturing plants operate on a digitally enabled, process based, integrated IT system. We use a combination of SAP and non-SAP applications. Our businesses run on an online platform onto a fully secured network with analytics solutions embedded in them. SAP, a cloud based application, is accessed by our Sambalpur manufacturing plant and our Registered and Corporate Office. Lighthouse ERP has been installed at S.S. Chambers, Kolkata, the registered office of our Subsidiary, SSPL and accessed by our Jamuria, Mangalpur and Pakuria manufacturing plants and the registered office of SSPL in order to provide us real time access to data. Data from our manufacturing plants as well as all our office locations where SAP is implemented is backed-up in cloud servers and on storage devices at our Registered and Corporate Office. All data generated from the Lighthouse ERP is backed up at servers housed in our office at S.S. Chambers, Kolkata.

Competition

We operate and sell our products in highly competitive markets. The market for our intermediate and final products is highly competitive. Our primary competitors include Jindal Steel and Power Limited, Tata Steel Limited, Steel Authority of India Limited, JSW Steel Limited, Kalyani Steel Limited and Prakash Industries (*Source: CRISIL Report*). For further details, see "*Industry Overview*" on page 98.

Competition occurs principally on the basis of price, quality and brand name. As a result, to remain competitive in our markets, we must continuously strive to reduce our costs of production, transportation and distribution and improve our operating efficiencies. Many of our current and potential competitors include large companies that have longer operating histories, better name recognition, greater ability to influence industry standards, access to larger customer bases and significantly greater financial, sales and marketing, manufacturing, distribution, technical and other resources than we have. See, "*Risk Factors - We face substantial competition, both from Indian and international steel producers, which may affect our prospects*" on page 31.

Employees

As of December 31, 2020, we had a workforce of 11,457 personnel comprised 5,841 permanent employees and 5,616 contract employees for our operations. The number of contract laborers varies from time to time based on the nature and extent of work contracted to independent contractors. Our permanent employees include personnel engaged in management, administration, human resource, engineering, auditing, finance, sales and marketing, procurement, logistics and legal functions. In order to improve our operational efficiencies, we regularly organize in-house and external training programs for our employees. Our employees are not unionised into any labour or workers' unions and have not experienced any major work stoppages due to labour disputes or cessation of work in the last three years.

Insurance

Our operations are subject to risks inherent in the manufacturing industry, such as work accidents, fire, earthquake and other force majeure events and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment damage. We have obtained standard fire and special perils policies for our Sambalpur and Jamuria manufacturing plants, while our Mangalpur plant is covered under an industrial all risk policy which provides for various covers including fire, machinery breakdowns, business interruptions, earthquakes. For our Jamuria manufacturing plant, we have obtained a machinery breakdown insurance policy. We have also obtained marine cargo open policies for our raw materials, finished products, and rotary kiln and cooler along with accessories. Further, we have obtained a fidelity guarantee policy and money insurance for carrying of cash and money in transit. Further, the total insurance coverage amount of our Company and our Subsidiary, SSPL, was ₹ 27,830.22 million, as of December 31, 2020 and the percentage of coverage of insurance vis-à-vis the total assets of our Company calculated as the sum of written down value of property, plant and equipment and inventories was 100.47%, as of December 31, 2020.

Corporate and Social Responsibility ("CSR")

We believe that sustainable community development is essential for harmonious development of both the community and industry. We endeavour to make a positive contribution, particularly to underprivileged communities by supporting a range of socio-economic, educational and health initiatives, and adopting a need profile analysis and implementing sustainable social development projects.

In Fiscals 2018, 2019 and 2020, and the nine months ended December 31, 2020, we incurred ₹ 15.20 million, ₹ 37.77 million, ₹ 66.66 million and ₹ 26.40 million, respectively, towards CSR activities. Some of the key CSR initiatives undertaken by us are as follows:

- Promoting preventive health care preventive health care services;
- natural disaster relief;
- rural development through camps in the vicinity of our manufacturing plants; and
- Plantation and maintenance activities.

Properties

Our Registered and Corporate Office, located at "Trinity Tower", 83, Topsia Road, 7th Floor, Kolkata 700 046, West Bengal, India, is owned by us. Our manufacturing plants are located on land that is either owned or leased to us. We also have liaison offices at New Delhi, Bhubaneshwar and Bhadrak, which we have acquired on a leasehold basis. In addition, we have various guest houses in Raniganj, Jamuria and Sambalpur, which are owned by us.

Also see, "*Risk Factors - Our business operations are being conducted on owned and leased premises. Our inability to seek renewal or extension of such leases may materially affect our business operations. Further, any failure or delay in the acquisition of land or an inability to acquire land at acceptable costs or on commercially reasonable terms may adversely affect our business, results of operations and financial condition*" on page 26.

KEY REGULATIONS AND POLICIES IN INDIA

Given below is an indicative summary of certain relevant laws, regulations and policies, as prescribed by the GoI and other regulatory bodies that are applicable to our Company and Subsidiaries for conducting our business. The information in this section has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, which are 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 is not 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. For details of government approvals obtained by us, please see the section entitled "Government and Other Approvals" on page 330.

Key Acts, Regulations and Policies governing our Company and our Subsidiaries

Industry specific regulations

The Bureau of Indian Standards Act, 2016 ("BIS Act")

The BIS Act provides for the establishment of the Bureau of Indian Standards ("**BIS**") for the development of, *inter alia*, standardization, marking and quality certification of goods. Functions of the BIS include, *inter alia,* (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark to be called the Bureau of Indian Standards Certification Mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) conducting such inspection and taking such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian standard or whether the standard mark has been improperly used in relation to any article or process with or without a license.

In addition to the above, our Company is also governed by the provisions of The Companies Act, 2013 and rules framed thereunder, foreign exchange laws, foreign trade laws, and other applicable laws and regulations imposed by the central and state government and other authorities for day to day business, operations and administration of our Company.

Bureau of Indian Standards Rules, 2018

The Bureau of India Standards Rules, 2018 (the "**Bureau of Indian Standards Rules**") have been notified, in supersession of the Bureau of Indian Standards Rules, 1987, in so far as they relate to Chapter IV A of the said rules relating to registration of the articles notified by the Central Government, and in supersession of the Bureau of Indian Standards Rules, 2017 except in relation to things done or omitted to be done before such supersession. Under the Bureau of Indian Standards Rules, the bureau is required to establish Indian standards in relation to any goods, article, process, system or service and shall reaffirm, amend, revise or withdraw Indian standards so established as may be necessary.

National Steel Policy, 2017 ("NSP 2017")

The NSP 2017, notified on May 8, 2017, seeks to enhance domestic steel consumption, ensure high quality steel production, and create a technologically advanced and globally competitive steel industry in India. As per the NSP 2017, the Ministry of Steel will facilitate research and development in the sector, through the establishment of Steel Research and Technology Mission of India (SRTMI). The initiative is aimed to spearhead research and development of national importance in the iron and steel sector, by utilizing tripartite synergy amongst industry, national research and development laboratories and academic institutes. 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. Through policy measures the Ministry of Steel will ensure availability of raw materials such as iron ore, coking coal, natural gas, etc. at competitive rates. The NSP 2017 envisions that in the steel industry, an environment will be created to promote domestic steel and thereby create a scenario where production meets the anticipated pace of growth in consumption, through a technologically advanced and globally competitive steel industry.

Steel and Steel Products (Quality Control) Order, 2020

The Steel and Steel Products (Quality Control) Order, 2020, as amended (the "**Quality Control Order 2020**"), was notified by the Ministry of Steel, Government of India, to bring 120 steel products under mandatory BIS certification. All manufacturers of steel and steel products are required to apply to the Bureau of Indian Standards for certification and ensure compliance with the Quality Control Order 2020. The Quality Control Order 2020 further provides that every steel and steel products stated therein shall bear the standard mark under a license from Bureau of Indian Standards as provided in Bureau of Indian Standards (Conformity Assessment) Regulations, 2018.

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.

The Explosives Act, 1884 (the "Explosives Act") and the Explosives Rules, 2008 (the "Explosive Rules")

The Explosives Act is a comprehensive law which regulates by licensing for the manufacturing possession, sale, transportation, export and import of explosives. As per the definition of 'explosives' under the Explosives Act, any substance, whether a single chemical compound or a mixture of substances, whether solid or liquid or gaseous, used or manufactured with a view to produce a practical effect by explosion or pyrotechnic effect shall fall under the Explosives Act. The Central Government may, for any part of India, make rules consistent with this act to regulate or prohibit, except under and in accordance with the conditions of a license granted as provided by those rules, the manufacture, possession, use sale, transport, import and export of explosives, or any specified class of explosives. Extensive penalty provisions have been provided for manufacture, import or export, possession, usage, selling or transportation of explosives in contravention of the Explosives Act. In furtherance to the purpose of this Act, the Central Government has notified the Explosive Rules in order to regulate the manufacture, import, export, transport and possession for sale or use of explosives.

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.

Regulations applicable to the production and manufacturing sector

Industries (Development and Regulation) Act, 1951, as amended ("IDR Act")

The IDR Act has been liberalized under the New Industrial Policy dated July 24, 1991 and all industrial undertakings are exempt from licensing except for certain industries, including, among others, all types of electronic aerospace, defence equipment, ships and other vessels drawn by power. The IDR Act is administered by the Ministry of Commerce and Industry, Government of India, through the Department for Promotion of Industry and Internal Trade (DPIIT). The main objectives of the IDR Act is to empower the Government to take necessary steps for the development of industries, to regulate the pattern and direction of industrial development, and to control the activities, performance and results of industrial undertakings in the public interest. The DPITT is responsible for formulation and implementation of promotional and developmental measures for growth of the industrial sector.

Legal Metrology Act, 2009 (the "Legal Metrology Act") and Legal Metrology (Packaged Commodities) Rules, 2011

The Legal Metrology Act seeks to establish and enforce standard weights and measures regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Legal Metrology 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 Legal Metrology Act. Any manufacturer dealing instruments for weights and measuring of goods must procure a license from the state department under the Legal Metrology Act. Any non-compliance or violation under the Legal Metrology Act may result in *inter alia* a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

The Legal Metrology (Packaged Commodities) Rules, 2011 framed under the Legal Metrology Act lay down specific provisions applicable to packages intended for retail sale, wholesale packages and for export and import of packaged commodities and also provide for registration of manufacturers and packers. Further, the Legal Metrology (Packaged Commodities) Amendment Rules, 2017 lay down specific provisions for e-commerce transactions and online sale of packaged commodities.

Regulations applicable to foreign trade

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

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

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

The total holding by each FPI or an investor group, shall be less than 10 percent of the total paid-up equity capital on a fully diluted basis or less than 10 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together, including any other direct and indirect foreign investments in the Indian company permitted under these rules, shall not exceed 24 per cent of paid-up equity capital on a fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent shall be called the individual and aggregate limit, respectively.

With effect from April 1, 2020, the aggregate limit shall be the sectoral caps applicable to Indian company as laid out in paragraph 3(b) of Schedule I of FEM Rules, with respect to paid-up equity capital on fully diluted basis or such same sectoral cap percentage of paid-up value of each series of debentures or preference shares or share warrants.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

Foreign Trade (Development and Regulation) Act, 1992 ("FTA") and the Foreign Trade Policy (2015- 2021) ("FTP")

The FTA provides for the development and regulation of foreign trade by facilitating imports into, and exports from India. The FTP governs the export and import of goods and services in India which requires an import-export code ("**IEC**") number, unless specifically exempted. Exports and imports are free unless specifically regulated by the FTP or the Indian trade classification based on harmonised system of coding which is used for regulating import and export operations.

Under the FTA, an IEC granted by the Director-General of foreign trade will be required to be obtained in the event any import or export of the product is envisaged. Failure to obtain the IEC number attracts a penalty of ₹ 10,000 or five times the value of the goods on which contravention is made or attempted, whichever is more.

In accordance with the notification no. 01(RE-2013)/2009-2014 issued by the Director General of Foreign Trade dated April 18, 2013 importers can avail of the Zero Duty Export Promotion Capital Goods (EPCG) Scheme which allows import of capital goods for pre-production, production and post-production at zero customs duty (“**Zero Duty EPCG Scheme**”). This is however subject to an export obligation equivalent to 6 (six) times of duty saved on capital goods imported under such scheme, to be fulfilled in 6 (six) years reckoned from the date of authorisation of the Zero Duty EPCG Scheme for an importer.

Environmental laws

Environment Protection Act, 1986 ("EPA") and Environment (Protection) Rules, 1986

The EPA is the 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, standards for emission of discharge of environment pollutants from various sources, as provided under the Environment (Protection) Rules, 1986, inspection of any premises, plant, equipment, machinery, examination of manufacturing processes and materials likely to cause pollution. Penalties for violation of the EPA include fines up to ₹ 100,000 or imprisonment of up to five years, or both. If the violation continues beyond a period of one year after the date of conviction, the offender shall be punishable with imprisonment for a term which may extend upto seven years.There are provisions with respect to certain compliances by persons handling hazardous substances, furnishing of information to the authorities in certain cases, establishment of environment laboratories and appointment of Government analysts.

Air (Prevention and Control of Pollution) Act, 1981 ("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 respective 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 may then grant consent, subject to mentioned 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.

Water (Prevention and Control of Pollution) Act, 1974 ("Water Act") and Water (Prevention and Control of Pollution) Cess Act, 1977

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the central and state pollution control board. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, using 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 and/or imprisonment.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, ("Hazardous Wastes Rules")

The Hazardous Wastes Rules impose an obligation on every occupier of a facility generating hazardous waste to deploy safe and environmentally sound measures for 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 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 of India 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 a sum equal to the premium paid on the insurance policies towards the environment relief fund.

Tax Legislations

The tax related laws that are applicable to our Company include the Income-tax Act, 1961, the Income Tax Rules, the Customs Act, 1962, Customs Tariff Act, 1975, Goods and Services Tax Act, 2017, local body tax in respective states and Finance Act, 1994 and various applicable tax notifications and circulars.

Income-tax Act, 1961 ("Income Tax Act")

The Income Tax Act is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its "Residential Status" and "Type of Income" involved. The Income Tax Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc.

GST Laws

The Goods and Services Tax ("**GST**") is levied on supply of goods or services or both jointly by the Central Government and state governments. It is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government on intra-state supply of goods or services and by the state government including union territories. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 , relevant state's Goods and Services Act, 2017 , Union Territory Goods and Services Act, 2017 , Integrated Goods and Services Act, 2017 , Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

Labour Law Legislations

Employees' Provident Funds and Miscellaneous Provisions Act, 1952

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("**the EPF Act**") is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act frames Employees Provident Scheme, 1952

Employees' State Insurance Act, 1948

The Employees' State Insurance Act, 1948 (the "**ESI Act**") an act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

Factories Act, 1948 ("Factories Act")

The Factories Act defines a "factory" to cover any premises which employs ten or more workers and in which manufacturing process is carried on with the aid of power. Each state government has rules in respect of the prior submission of plans and their approval for the establishment of factories, as well as for licensing of factories. The Factories Act provides that an occupier of a factory i.e., the person who has ultimate control over the affairs of the factory, and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers. There is a prohibition on employing children below the age of fourteen years in a factory. The occupier and the manager of a factory may be punished in accordance with the Factories Act for different offences in case of contravention of any provision thereof and in case of a continuing contravention after conviction, an additional fine for each day of contravention may be levied.

The Code on Wages, 2019

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume 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. Certain provisions of this code pertaining to central advisory board, have been brought into force by the Ministry of Labour and Employment through a notification dated December 18, 2020 and other provisions of this code will be brought into force on a date to be notified by the Central Government.

The Occupational Safety, Health and Working Conditions Code, 2020

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

The Industrial Relations Code, 2020

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

The Code on Social Security, 2020

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government.

In addition to above, we are subject to wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our labourers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees (Provident Fund and Miscellaneous Provision) Act, 1952.

Shops and establishments legislations in various states

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of opening and closing hours, daily and weekly working hours, rest intervals, overtime, holidays, leave, health and safety measures, termination of service, wages for overtime work, maintenance of shops and establishments and other rights and obligations of the employers and employees. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations. In the case of our Company, the West Bengal Shops and Establishments Act, 1963 is an applicable law under this head.

Other Applicable Laws

Trade Marks Act, 1999 ("Trade Marks Act")

The Trade Marks Act provides for the application and registration of trademarks in India. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label and heading, and to obtain relief in case of infringement of such marks. An application for the registration of trademarks has to be made to Controller-General of Patents, Designs and Trade Marks who is the Registrar of Trade Marks for the purposes of the Trade Marks Act. It also provides for penalties for infringement, falsifying, and falsely applying trademarks and using them to cause confusion among the public.

Copyright Act, 1957

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

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as Shyam DRI Power Limited on December 10, 2002, at Kolkata, West Bengal, India as a public limited company under the Companies Act, 1956. The name of our Company was changed to Shyam Metalics and Energy Limited, *vide* special resolution passed by our Shareholders on November 23, 2009, and a fresh certificate of incorporation consequent upon change of name of our Company was issued by the RoC on January 5, 2010. The name was changed to reflect the principal business activities of our Company.

Changes in Registered Office

The details of changes in the registered office of our Company are given below:

Date of change of Registered Office	Details of the address of Registered Office
February 23, 2010	From: 29, Ganesh Chandra Avenue, 1st Floor, Kolkata – 700 013 To: Trinity Tower, 7th Floor, 83, Topsia Road, Kolkata – 700046

The changes in the registered office were made for operational convenience and for running the business operations from the administrative office of the Company.

Main Objects of our Company

The main objects contained in the Memorandum of Association of our Company are as follows:
"
1. *To carry on the business of manufacture of Turbine and setup a Power Plant.*

2. *To promote, run, establish, install, take-over, or setup mini steel plants, composite steel plants, integrated steel plants, Hot rolling mills steels mills, cold rolling steel mills, blooms & steel furnaces, concasts, rolling mill, Induction fumances pr the manufacturing, producing, converting, extracting, treating or processing of all types, grades, size of steels, stainless steel, special steels, high speed steels, die steels, electrical steels.*

3. *To carry on in India or elsewhere the business to generate, receive, produce, improve, buy, resale, sale, acquire, use, transmit, accumulate, employ, distribute, develop, handle, project supply and to act as an agent, representative, consultant, collaborator, to deal in electric power in all its branches at such place or places as may be permitted by appropriate authorised by establishing thermal, hydraulic power plants, wind power plants, etc. based on any source of energy as may be developed or invented in the future.*

4. *To carry on business as advisors consultants liaison agents, commission agents on metiers and problems relating to the import, export, industries, administration, management, Organisation, accountancy costing, financial, marketing, taxation, company law matters, computers decoration, accounting system, managerial and all other manners, requiring calibre of sever economic and social science, commercial or economic activities, labour statistical Organisation methods, quality control and data processing, technical "knowhow" operation, manufacture, production, storage, distribution sale and purchase of goods, property and other activities of an in relation to any business to purchase, acquire hold and dispose of or otherwise deal and invest in any shares, debentures and other securities in or of any company or companies and to act as Investors, guarantors, underwriters, financiers to industrial enterprises without of its own funds or out of funds that the Company might borrow by issue of debentures or from bankers or otherwise howsoever in any other manner whatsoever, trade, commerce, industry, mine, agriculture, housing or real estate, and upon the mean, methods and procedure for establishment, construction, development, improvement and expansion of business, trade commerce and all systems, methods and procedure for establishment, construction development, improvement and expansion of business, trade commerce and all systems, methods, and procedure for the establishment, construction, development, improvement and expansion of business, trade, commerce and all systems, methods, techniques, processes, principles in relation to the foregoing."*

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of the Offer. For further details, please see the section entitled "*Objects of the Offer*" on page 79.

Amendments to the Memorandum of Association

Set out below are the amendments to our Memorandum of Association in the 10 years preceding the date of this Draft Red Herring Prospectus.

Date of Shareholders' Resolution	Particulars
June 11, 2014	Pursuant to the scheme of amalgamation of Ponni Trexim Private Limited, Eskay Business Private Limited and Nandlal Tie-Up Private Limited with our Company, Clause V of the MoA was amended to increase the authorised share capital of the Company from ₹ 637,500,000 divided into 63,750,000 equity shares of ₹ 10 each to ₹ 734,000,000 divided into 73,400,000 equity shares of ₹ 10 each.
October 3, 2016	Pursuant to the scheme of amalgamation of Inforev Software Private Limited and Amazing Vinimay Private Limited with our Company, Clause V of the MoA was amended to increase the authorised share capital of the Company from ₹ 734,000,000 divided into 73,400,000 equity shares of ₹ 10 each to ₹ 760,000,000 divided into 76,000,000 equity shares of ₹ 10 each.
June 11, 2018	Clause V of the MoA was amended to increase the authorised share capital of the Company from ₹ 760,000,000 divided into 76,000,000 equity shares of ₹ 10 each to ₹ 2,900,000,000 divided into 290,000,000 equity shares of ₹ 10 each.

Major events and milestones of our Company

The table below sets forth the major events and milestones in the history of our Company:

Year	Particulars
2013	• Sambalpur manufacturing plant o Backward integration by starting commercial production of iron pellets plant with capacity of 300,000 TPA • Jamuria manufacturing plant o Backward integration by starting commercial production of iron pellets plant with capacity of 480,000 TPA o Expanded capacity of sponge iron plant (1) by 36,000 TPA Forward integration by starting the commercial production of billets (2) with capacity of 79,200 TPA
2014	• Sambalpur manufacturing plant o Expanded capacity of ferro alloy products(3) by 33 MVA equivalent to 51,333 TPA with aggregate capacity of 98,000 TPA o Expanded capacity of sponge iron plant(1) by 33,000 TPA • Jamuria manufacturing plant Established captive railway siding
2015	• Sambalpur manufacturing plant o Operationalizing of captive railway siding • Jamuria manufacturing plant o Commissioning of another captive power plant of 43 MW taking aggregate capacity to 64 MW o Expanded capacity of sponge iron plant (1) by 194,400 TPA with aggregate capacity of 325,800 TPA o Expanded capacity of billets (2) by 50,400 TPA Expanded capacity of ferro alloy products(3) by 9 MVA equivalent to 14,000 TPA with aggregate capacity of 56,400 TPA
2016	• Sambalpur manufacturing plant o Expanded capacity of billets(2) by 84,480 TPA with aggregate capacity of 274,560 TPA • Jamuria manufacturing plant o Expanded capacity of iron pellets plant by 120,000 TPA with aggregate capacity of 600,000 TPA Expanded capacity of billets (2) plant by 72,000 TPA with aggregate capacity of 201,600 TPA
2017	• Sambalpur manufacturing plant o Expanded capacity of sponge iron plant (1) by 330,000 TPA with aggregate capacity of 627,000 TPA o Expanded capacity of billets (2) by 63,360 TPA with aggregate capacity of 337,920 TPA Combined annual capacity of all plants, including all intermediate products, reached ~2.90 MTPA
2019	• Sambalpur manufacturing plant o Expanded capacity of sponge iron by 165,000 TPA with aggregate capacity of 792,000 TPA

Year	Particulars
	○ Expanded capacity of billets by 63,360 TPA with aggregate capacity of 401,280 TPA ○ Expanded capacity of tmt by 60,000 TPA with aggregate capacity of 210,000 TPA ○ Expanded capacity of wire rod by 200,000 TPA with aggregate capacity of 410,000 TPA • Jamuria manufacturing plant ○ Expanded capacity of sponge iron by 99,000 TPA with aggregate capacity of 422,400 TPA ○ Expanded capacity of billets by 168,960 TPA with aggregate capacity of 396,000 TPA ○ Expanded capacity of long products (tmt and wire rod) by 106,992 TPA with aggregate capacity of 210,000 TPA ○ Expanded capacity of captive power plant by 30 MW with aggregate capacity of 94 MW ○ Expanded capacity of ferro alloy products by 9 MVA equivalent to 14,000 TPA with aggregate capacity of 70,000 TPA
2020	• Sambalpur manufacturing plant ○ Expanded capacity of pellet by 9,00,000 TPA with aggregate capacity of 12,00,000 TPA. ○ Expanded capacity of captive power plant by 33 MW with aggregate capacity of 118 MW • Jamuria manufacturing plant ○ Expanded capacity of pellet by 6,00,000 TPA with aggregate capacity of 12,00,000 TPA ○ Expanded capacity of sponge iron by 1,15,500 TPA with aggregate capacity of 5,37,900 TPA ○ Expanded capacity of billets by 95,040 TPA with aggregate capacity of 4,91,040 TPA Expanded capacity of long products (TMT and wire rod) by 200,000 TPA with aggregate capacity of 410,000 TPA Combined annual capacity of all plants, including all intermediate products, reached ~5.71 MTPA

Further to the above, in 2002, we started commercial production of sponge iron plant [(1)] with capacity of 60,000 TPA at our Mangalpur manufacturing plant. This plant is of Shyam SEL and Power Limited.

Assumptions for arriving at the above capacities are as follows:

(1) Sponge Iron (Direct reduced iron):Capacity of each kiln in TPD X 330 days per year

(2) Billet: Capacity of each Furnace in TPH X (24 hours per day / Heat Cycle)X 330 days per year; 1 Heat Cycle = 3 hours

(3) Ferro Alloy Products: Furnace with 9 MVA capacity is equivalent to 14,000 TPA and 1 MVA is equivalent to 1,555.56 TPA. The installed capacity of ferro alloy products may vary depending on the type of ferro alloy produced

Awards, Accreditations and Recognition

Our Company has received the following awards, accreditation and recognition:

Year	Particulars
2019	• Renewed certification from DNV GL Business Assurance UK Limited in relation to the quality management standard ISO 9001:2005 for our Sambalpur manufacturing plant • Renewed certification from DNV GL Business Assurance UK Limited in relation to the environmental management standard ISO 14001:2015 for our Sambalpur manufacturing plant • Renewed certification from DNV GL Business Assurance UK Limited in relation to the environmental management standard ISO 14001:2015 for our Jamuria manufacturing plant • Renewed certification from DNV GL Business Assurance UK Limited in relation to the quality management standard ISO 9001:2005 for our Jamuria manufacturing plant • Achieved a 4.5 star rating in 2019 in the 'large scale category' of Energy Conservation Awards, CII Eastern Region.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation by our Company in the last ten years

Except as disclosed below, our Company has neither acquired or divested any business or undertaking nor has undertaken any merger or amalgamation in the ten years preceding the date of this Draft Red Herring Prospectus:

Scheme of Amalgamation of Ponni Trexim Private Limited ("Ponni Trexim"), Eskay Business Private Limited ("Eskay Business") and Nandlal Tie-Up Private Limited ("Nandlal") with our Company

Our Company filed a scheme of amalgamation under Sections 391(2) and 394 of the Companies Act, 1956 before the High Court of

Calcutta for the transfer and vesting of the entire business and undertakings of Ponni Trexim, Eskay Business and Nandlal (collectively, the "**Transferor Companies**") with our Company ("**2014 Scheme of Amalgamation**"). The rationale for the merger was for better, efficient and economical management, control and running of the business of the undertakings concerned, for administrative convenience, to obtain the advantage of large-scale economy and to broad base the present business.

The 2014 Scheme of Amalgamation was approved by the High Court of Calcutta through order dated June 11, 2014 ("**2014 HC Order**"). Pursuant to the 2014 HC Order, with effect from April 1, 2013, the undertakings and properties of the Transferor Companies, together with their assets and liabilities were transferred and vested in our Company, subject to the charges, lien, mortgages, encumbrances, if any, as per the 2014 HC Order. Pursuant to approval of the 2014 Scheme of Amalgamation, *inter alia* (i) the employees in service of the Transferor Companies on August 1, 2014 were transferred to our Company without interruption and on terms no less favourable to them; (ii) all contracts, deeds, bonds, agreements and other documents and instruments of whatsoever nature to which the Transferor Companies were party to before the amalgamation would remain in full force against or in favour of our Company; and (iii) any pending suit, appeal or other legal proceedings by or against the Transferor Companies, if any, would continue and be enforced by or against our Company.

In consideration of the amalgamation, our Company was required to issue and allot: (i) to every equity shareholder of Ponni Trexim, two Equity Shares of ₹ 10 each credited as fully paid-up in our Company for every five equity shares of ₹ 10 each fully paid-up, held by such equity shareholder in Ponni Trexim; (ii) to every equity shareholder of Eskay Business, one Equity Share of ₹ 10 each credited as fully paid-up in our Company for every four equity shares of ₹ 10 each fully paid-up, held by such equity shareholder in Eskay Business; and (iii) to every equity shareholder of Nandlal, nine Equity Shares of ₹ 10 credited as fully paid-up in our Company for every four equity shares of ₹ 10 each fully paid-up, held by such equity shareholder in Nandlal. For further information in relation to the allotment of Equity Shares to the members of Ponni Trexim, Eskay Business and Nandlal, please see the section entitled "*Capital Structure*" on page 63.

The 2014 Scheme of Amalgamation came into effect from August 1, 2014, being the date on which a certified copy of the 2014 HC Order was filed with the RoC, becoming operative from April 1, 2013.

Scheme of Amalgamation of Inforev Software Private Limited ("Inforev") and Amazing Vinimay Private Limited ("Amazing Vinimay") with our Company

Our Company filed a scheme of amalgamation under Sections 391(2) and 394 of the Companies Act, 1956 before the High Court of Calcutta for the transfer and vesting of the entire business and undertakings of Inforev, and Amazing Vinimay (collectively, the "**Transferor Companies**") with our Company ("**2016 Scheme of Amalgamation**"). The rationale for the merger was for better, efficient and economical management, control and running of the business of the undertakings concerned, for administrative convenience, to obtain the advantage of large-scale economy and to broad base the present business.

The Scheme of Amalgamation was approved by the High Court of Calcutta through order dated October 3, 2016 ("**2016 HC Order**"). Pursuant to the same, with effect from April 1, 2015, the undertakings of the Transferor Companies, together with their assets and liabilities were transferred and vested in our Company, subject to the charges, lien, mortgages, encumbrances, if any, as per the 2016 HC Order. Pursuant to approval of the 2016 Scheme of Amalgamation, *inter alia* (i) the employees in service of the Transferor Companies on December 5, 2016 were transferred to our Company without interruption and on terms no less favourable to them; (ii) all contracts, deeds, bonds, agreements and other documents and instruments of whatsoever nature to which the Transferor Companies were party to before the amalgamation would remain in full force against or in favour of our Company; and (iii) any pending suit, appeal or other legal proceedings by or against the Transferor Companies, if any, would continue and be enforced by or against our Company.

In consideration of the amalgamation, our Company was required to issue and allot: (i) to every equity shareholder of Inforev, one Equity Share of ₹ 10 credited as fully paid-up in our Company for every three equity shares of ₹ 10 each fully paid-up, held by such equity shareholder in Inforev; and (ii) to every equity shareholder of Amazing Vinimay, seven Equity Shares of ₹ 10 as credited as fully paid-up in our Company for every four equity shares of ₹ 10 each fully paid-up, held by such equity shareholder in Amazing Vinimay. For further information in relation to the allotment of Equity Shares to the members of Inforev and Amazing Vinimay, please see the section entitled "*Capital Structure*" on page 63.

The 2016 Scheme of Amalgamation came into effect from December 5, 2016, being the date on which a certified copy of the 2016 HC Order was filed with the RoC, becoming operative from April 1, 2015.

Guarantees given by the Promoter Selling Shareholders

The Promoter Selling Shareholders have not issued any guarantee in connection with the financing facilities availed by our Company.

Shareholders' Agreements

As on the date of this Draft Red Herring Prospectus, there are no subsisting shareholder's agreements among our shareholders *vis-à-vis* our Company, which our Company is aware of.

Other Agreements

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.

Except as stated below, our Company has not entered into any other subsisting material agreement including with strategic partners, joint venture partners or financial partners, which is not in the ordinary course of business carried on by our Company:

Joint venture agreement dated November 12, 2007 between our Company, Mahanadi Coalfields Limited ("MCL"), JSW Steel Limited ("JSW Steel"), JSW Energy Limited ("JSW Energy") and Jindal Stainless Limited ("JSL") (the "MJSJ JV Agreement")

Our Company entered into the MJSJ JV Agreement for the purpose of carrying out coal mining activity jointly at combined block of Utkal-A and Gopalprasad (West) as a single mine. Pursuant to the above, MJSJ was incorporated on August 13, 2008. The MJSJ JV Agreement sets out the rights and obligations between the shareholders of MJSJ. The MJSJ JV Agreement requires the shareholders to subscribe to the equity share capital of MJSJ in the following ratio:

Name of the shareholder	Percentage (%)
MCL	60
JSW Steel and JSW Energy	22
JSL	9
Our Company	9

The board of directors of MJSJ shall comprise of nine directors. MCL is entitled to nominate up to five directors, JSW Steel and JSW Energy are entitled to nominate up to two directors and JSL and our Company are entitled to nominate one director each on the board of MJSJ. The chairman and managing director or the nominee director of MCL shall be the chairman of the board of directors of MJSJ.

Revaluation of assets in the last ten years

Our Company has not undertaken any revaluation of its assets in the ten years preceding the date of this Draft Red Herring Prospectus.

Launch of key products or services, entry into new geographies or exit from existing markets, capacity/ facility creation or location of plants

For information on key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/facility creation, location of our manufacturing facilities, please see the section entitled "*Our Business*" on page 131.

Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

There have been no defaults or rescheduling or restructuring of borrowings with financial institutions/banks in respect of our current borrowings from lenders. For further information of our financing arrangements, please see the section entitled "*Financial Indebtedness*" on page 318.

Time and cost overruns

There have been no time and cost overruns in the implementation of any of our projects.

Significant Strategic or Financial Partners

Our Company does not have any significant strategic or financial partners as on 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

For details with respect to our Subsidiaries, please see the section entitled "*Our Subsidiaries*" beginning on page 166.

Our Associate Companies

Our Company has three Associate Companies. Set out below are details of our Associate Companies. Unless stated otherwise, information in relation to our Associate Companies is as on the date of this Draft Red Herring Prospectus.

1. ***Kecons Tradecare Private Limited ("KTPL")***

Corporate Information

KTPL was incorporated on August 7, 1995 under the Companies Act, 1956 as a private limited company. KTPL's registered office is located at Vishwa Karma, 86C, Topsi[a] Road, 2nd Floor, Kolkata – 700 046, West Bengal, India. The CIN of KTPL is U51909WB1995PTC073411.

Nature of Business

KTPL is authorized to *inter alia* carry on business as distributors, agents, traders, merchants, contractors, brokers and otherwise deal in merchandise and articles of all kinds, including as clearing agent, freight contractors, forwarding agents, licensing agents, general brokers, and to carry on any kind of commercial business.

Capital Structure

The authorised share capital of KTPL is ₹ 160,000,000 divided into 16,000,000 equity shares of face value of ₹ 10 each and the issued, subscribed and paid up share capital of KTPL is ₹ 156,527,000 divided into 15,652,700 equity shares of face value of ₹ 10 each.

Shareholding Pattern

Name of the shareholder	Number of equity shares (of face value of ₹ 10 each)held	Percentage of issued and paid up share capital
Kavita Rani Goyal	418,850	2.68
Sanjay Kumar Agarwal	48,000	0.31
Subham Capital Private Limited	180,400	1.15
Pooja Agarwal	35,700	0.23
Narantak Dealcomm Limited	119,050	0.76
Bina Devi Agarwal	35,700	0.23
Our Company	7,407,500	47.32
Bhuvee Packaging & Ancillary Private Limited	2,469,167	15.77
Stenovate Synergies & Exports Private Limited	2,469,167	15.77
BRG Tie Up Private Limited	2,469,166	15.77
Total	**15,652,700**	**100.00**

2. ***Meghana Vyapaar Private Limited ("MVPL")***

Corporate Information

MVPL was incorporated on November 22, 1995 under the Companies Act, 1956 as a private limited company. MVPL's registered office is located at 5, C.R. Avenue, 2nd Floor, Kolkata – 700 072, West Bengal, India. The CIN of MVPL is U51909WB1995PTC075497.

Nature of Business

MVPL is authorized to *inter alia* carry on business as distributors, agents, traders, merchants, contractors, brokers and otherwise deal in merchandise and articles of all kinds including as clearing agents, freight contractors, forwarding agents, licensing agents, general brokers and to carry on any kind of commercial business.

Capital Structure

The authorised share capital of MVPL is ₹ 3,000,000 divided into 300,000 equity shares of face value of ₹ 10 each and the issued, subscribed and paid up share capital of MVPL is ₹ 2,984,500 divided into 298,450 equity shares of face value of ₹ 10 each.

Shareholding Pattern

Name of the shareholder	Number of equity shares (of face value of ₹ 10 each) held	Percentage of issued and paid up share capital
Our Company	100,000	33.51
Subhlabh Commercials Private Limited	82,950	27.79
Subham Capital Private Limited	115,500	38.70
Total	**298,450**	**100.00**

3. ***Kolhan Complex Private Limited ("KCPL")***

Corporate Information

KCPL was incorporated on June 17, 2008 under the Companies Act, 1956 as a private limited company as "*Kolhan Metals & Alloys Private Limited*". Consequent to change of name to Kolhan Complex Private Limited, a fresh certificate of incorporation was issued dated August 16, 2012 by the RoC. KCPL's registered office is located at 5, C.R. Avenue, 2nd Floor, Kolkata – 700 072, West Bengal, India. The CIN of KCPL is U70102WB2008PTC126636.

Nature of Business

KCPL is authorized to *inter alia* carry on business in India or elsewhere, of acquiring, purchasing, preparing, hiring, buying, selling, leasing, or otherwise dealing in lands, buildings, real estate, properties, furniture, fittings, machinery, etc, to let out on lease, hire, rent, maintain, provide amenities and services in and at commercial and industrial complexes, residential complexes, houses, flats, offices, malls, and various kinds of moveable and immoveable properties, and to carry on the business of purchase, sale, lease, expansion, design, maintenance of infrastructure projects, sanitation, at industrial estates, townships or any other facility of similar nature, and to act as a civil engineer, agent, broker, supervisor, etc. and to mobilise resources and to arrange both private and/or government sector participations for development of infrastructure projects.

Capital Structure

The authorised share capital of KCPL is ₹ 3,500,000 divided into 350,000 equity shares of face value of ₹ 10 each and the issued, subscribed and paid up share capital of KCPL is ₹ 3,231,300 divided into 323,130 equity shares of face value of ₹ 10 each.

Shareholding Pattern

Name of the shareholder	Number of equity shares (of face value of ₹ 10 each) held	Percentage of issued and paid up share capital
Brij Bhushan Agarwal	65,400	20.24
Matribhumi Dealers Private Limited	8,330	2.58
Subham Agarwal (minor)	88,200	27.30
Our Company	27,800	8.60
Shyam SEL and Power Limited	133,400	41.28
Total	**323,130**	**100.00**

Our Joint Ventures

As on the date of this Draft Red Herring Prospectus, our Company has two joint ventures. Unless stated otherwise, information in relation our joint ventures is as on the date of this Draft Red Herring Prospectus.

1. ***Kalinga Energy & Power Limited ("KEPL")***

Corporate Information

KEPL was incorporated on October 4, 2007 under the Companies Act, 1956 as a public limited company. KEPL's registered office address is A-17/10, Surya Nagar, 1st Floor, Unit VI, Bhubaneshwar – 751001, Orissa, India. The CIN of KEPL is U40105OR2007PLC009567. Although Kalinga Energy & Power Limited is a joint venture, we have not entered into any joint venture agreement for Kalinga Energy & Power Limited.

Nature of Business

KEPL is authorized to *inter alia* carry on business of generating electrical power by conventional, non-conventional methods including coal, gas lignite, oil, bio-mass, waste, thermal, solar, hydel, geo-hydel, wind and tidal waves.

Capital Structure

The authorised share capital of KEPL is ₹ 2,500,000 divided into 250,000 equity shares of face value of ₹ 10 each and the issued and paid up share capital of KEPL is ₹ 2,500,000 divided into 250,000 equity shares of face value of ₹ 10 each.

Shareholding

Name of the shareholder	Number of equity shares (of face value of ₹ 10 each) held	Percentage of issued and paid up share capital
EMCO Power Limited	125,000	50.00
SSPL	125,000	50.00
Total	**250,000**	**100.00**

2. ***MJSJ Coal Limited ("MJSJ")***

Corporate Information

MJSJ was incorporated on August 13, 2008 under the Companies Act, 1956 as a private limited company. MJSJ's registered office is located at House No. 42, 1st Floor, Anand Nagar, Hakimpara, P.O. Angul, Angul – 759 153, Orissa, India.

Nature of Business

MJSJ is authorized to *inter alia* carry on business in part or full, of greenfield or operational coal / lignite mine blocks in India and to carry out the activities of prospecting, exploring, developing, drilling, converting, blending, purchasing, receiving, storing, proving and estimating the reseves of coal, lignite and gases and other mineral resources.

MJSJ was primarily incorporated for the acquisition of the Utkal-A and Gopalprasad (West) coal mine. However, pursuant to an order dated September 24, 2014 of the Supreme Court of India cancelled the allocation of the Utkal-A and Gopalprasad (West) mine. MJSJ currently does not have any operations. For further details, please see "*Restated Financial Statements – Annexure V – Note 5 – Non-current investments*" on page 243.

Capital Structure

The authorised share capital of MJSJ is ₹ 2,000,000,000 divided into 200,000,000 equity shares of face value of ₹ 10 each and the issued and paid up share capital of MJSJ is ₹ 951,000,000 divided into 95,100,000 equity shares of face value of ₹ 10 each.

Shareholding

Name of the shareholder	Number of equity shares (of face value of ₹ 10 each) held	Percentage of issued and paid up share capital
Our Company	8,559,00	9.00
MCL	8,330	2.58
JSW Steel and JSW Energy	88,200	27.30
JSL	27,800	8.60
Total	**323,130**	**100.00**

OUR SUBSIDIARIES

Our Company has five direct Subsidiaries and seven indirect Subsidiaries. Unless stated otherwise, information in relation our Subsidiaries is as on the date of this Draft Red Herring Prospectus.

Set out below are details of our Subsidiaries.

Direct Subsidiaries

1. ***Shyam SEL and Power Limited ("SSPL")***

Corporate Information

SSPL was incorporated on September 5, 1991 under the Companies Act, 1956. SSPL's registered office is located at 5, C.R. Avenue, Princep Street, Kolkata – 700 072, West Bengal, India.

Nature of Business

SSPL is authorized to *inter alia* engage in the business of manufacturing, dealing in, exporting, and importing all varieties of steel, special steel, carbon steel, mild steel, and any other kinds and grades of steel, and all kinds of instruments, apparatus, appliances and machinery, and to carry on and execute the work of steel engineers including manufacture and dealing in steel billets, steel rods, steel ingots, and other types of steel products.

Capital Structure

The authorised share capital of SSPL is ₹ 600,000,000 divided into 60,000,000 equity shares of face value of ₹ 10 each and the issued, subscribed and paid up share capital of SSPL is ₹ 441,256,440 divided into 44,125,644 equity shares of face value of ₹ 10 each.

Shareholding Pattern

Name of the shareholder	Number of equity shares (of face value of ₹ 10 each) held	Percentage of issued and paid up share capital
Our Company	44,125,044	100.00
Brij Bhushan Agarwal*	100	Negligible
Mahabir Prasad Agarwal*	100	Negligible
Sanjay Agarwal*	100	Negligible
Sumitra Devi Agarwal*	100	Negligible
Bajrang Lal Agarwal*	100	Negligible
Mittu Agarwal*	100	Negligible
Total	**44,125,644**	**100.00**

**as a nominee of our Company*

2. ***Damodar Aluminium Private Limited ("DAPL")***

Corporate Information

DAPL was incorporated on June 10, 2008 under the Companies Act, 1956. DAPL's registered office is at Viswa Karma, 1st floor, 86C, Topsia Road, Kolkata 700 046, West Bengal, India.

Nature of Business

DAPL is authorized to *inter alia* engage, in India or elsewhere, in the business of acquiring, purchasing, preparing, hiring, buying, selling, leasing, or otherwise deal in lands, buildings, real estate, properties, furniture, fittings, machinery, etc, to let out on lease, hire, rent, maintain, provide amenities and services in and at commercial and industrial complexes, residential complexes, houses, flats, offices, malls, and various kinds of moveable and immoveable properties.

Capital Structure

The authorised share capital of DAPL is ₹ 2,500,000 divided into 250,000 equity shares of face value of ₹ 10 each and the issued, subscribed and paid up share capital of DAPL is ₹ 1,773,000 divided into 177,300 equity shares of face value of ₹ 10 each.

Shareholding Pattern

Name of the shareholder	Number of equity shares (of face value of ₹ 10 each) held	Percentage of issued and paid up share capital
Brij Bhushan Agarwal & Sons (HUF)	14,500	8.18
Mittu Agarwal	15,600	8.80
Sheetij Agarwal Family Trust	7,800	4.40
Subham Agarwal (minor)	43,200	24.37
Our Company	96,000	54.15
Sheetij Agarwal	200	0.11
Total	**177,300**	**100.00**

3. ***Singhbhum Steel and Power Private Limited ("SSPPL")***

Corporate Information

SSPPL was incorporated on June 9, 2008 under the Companies Act, 1956. SSPPL's registered office is located at Viswa Karma, 1st floor, 86C, Topsia Road, Kolkata 700 046, West Bengal, India.

Nature of Business

SSPPL is authorized to *inter alia* engage, in India or elsewhere, in the business of mining of coal, minerals and ores, lignite and gas either by open cast or underground or any other method anywhere in the country or otherwise, exploration and mining , deploying, machineries in the exploration, excavation, exploitation of mines developments of coal, minerals and ores for common specified end use of promoter Companies and to search, survey, discover and find out and acquire by concession, grant, purchase, barter, lease, license, degrees & allotment by tender /auction from government, semi-government, local authorities, private bodies, corporations or other persons, such rights, powers, and privileges whatsoever for obtaining mines and mutual rights for the accomplishment of the above objects including to carry out all incidental and allied activities related to mining of coal and other minerals and ores making it available for common specified end use of promoters.

Capital Structure

The authorised share capital of SSPPL is ₹ 3,500,000 divided into 350,000 equity shares of face value of ₹ 10 each and the issued, subscribed and paid up share capital of SSPPL is ₹ 1,170,000 divided into 117,000 equity shares of face value of ₹ 10 each.

Shareholding Pattern

Name of the shareholder	Number of equity shares (of face value of ₹ 10 each) held	Percentage of issued and paid up share capital
Brij Bhushan Agarwal	9,800	8.38
Subham Agarwal (minor)	200	0.17
Our Company	107,000	91.45
Total	**117,000**	**100.00**

4. ***Renaissance Hydro Power Private Limited ("RHPPL")***

Corporate Information

RHPPL was incorporated on November 14, 2011 under the Companies Act, 1956. RHPPL's registered office at 83, Topsia Road, 7th Floor, Trinity Tower, Kolkata – 700 046, West Bengal, India.

Nature of Business

RHPPL is authorized to *inter alia* engage in the business of carrying on, managing, supervising and controlling the business of transmitting, manufacturing, supplying, generating, distributing and dealing in electricity and all forms of energy and power generated by any source whether water, steam, hydro or tidal, deep sea current, geothermal, wind, solar, hydrocarbon fuel or any other form, kind or description.

Capital Structure

The authorized share capital of RHPPL is ₹ 1,000,000 divided into 100,000 equity shares of face value ₹ 10 each and the issued, subscribed and paid up capital of RHPPL is ₹ 100,000 divided into 10,000 equity shares of face value ₹ 10 each.

Shareholding Pattern

Name of the shareholder	Number of equity shares (of face value of ₹ 10 each) held	Percentage of issued and paid up share capital
Deepak Kumar Agarwal (as Nominee for SMEL)	10	0.10
Sanjay Kumar Agarwal (as Nominee for SMEL)	10	0.10
Our Company	9,980	99.80
Total	**10,000**	**100.00**

5. ***Kalinga Infra-Projects Limited ("KIPL")***

Corporate Information

KIPL was incorporated on September 16, 2008, under the Companies Act, 1956. KIPL's registered office at A - 17/10, Surya Nagar, 1st Floor, Unit – VI, Bhubaneswar, Odisha- 751003, India.

Nature of Business

KIPL is authorized to *inter alia* engage in the business of builders, real estates, developer, contractors, designer, architect, constructors and purchase and sale of all types of lands, building and structures including houses, flats, apartments, offices, go-downs, shops, factories, sheds, hotels, holiday resorts, shopping cum residential complexes, malls, multiplex, leisure centre, IT Parks, infrastructure of any type and home appliances, office equipment and to develop, erect, install, alter, improve, renovate, recondition, buy or sale, lease, nil such buildings and structures.

Capital Structure

The authorized share capital of KIPL is ₹ 1,000,000 divided into 100,000 equity shares of face value ₹ 10 each and the issued, subscribed and paid up capital of KIPL is ₹ 500,000 divided into 50,000 equity shares of face value ₹ 10 each.

Shareholding Pattern

Name of the shareholder	Number of equity shares (of face value of ₹ 10 each) held	Percentage of issued and paid up share capital
Brij Bhushan Agarwal*	7,500	15.00
Sanjay Kumar Agarwal*	5,000	10.00
Subham Agarwal (Minor)*	15,000	30.00
Bajrang Lal Agarwal*	7,500	15.00
Sheetij Agarwal*	5,000	10.00
Mittu Agarwal*	5,000	10.00
Subham Buildwell Private Limited	5,000	10.00
Total	**50,000**	**100.00**

**as a nominee of our Company*

Indirect Subsidiaries

1. ***Hrashva Storage and Warehousing Private Limited ("HSWPL")***

Corporate Information

HSWPL was incorporated on September 8, 2011 under the Companies Act, 1956. HSWPL's registered office is located at Trinity Tower 83, Topsia Road, 7th Floor, Kolkata – 700 046, West Bengal, India.

Nature of Business

HSWPL is authorized to *inter alia* engage in the business of erecting, building, maintaining and letting out on hire or rent cold storage rooms and to provide for refrigeration and to carry on or undertake storage, packing, removal, carrying delivery, purchase, sales and exchange of fruits and vegetables and all kinds of agricultural and other goods and generally to carry on the business of a cold storage company in all its branches in India and abroad.

Capital Structure

The authorised share capital of HSWPL is ₹ 30,000,000 divided into 3,000,000 equity shares of face value of ₹ 10 each and the issued, subscribed and paid up share capital of HSWPL is ₹ 15,336,000 divided into 1,533,600 equity shares of face value of ₹ 10 each.

Shareholding Pattern

Name of the shareholder	Number of equity shares (of face value of ₹ 10 each) held	Percentage of issued and paid up share capital
Our Company	197,608	12.89
Shyam SEL and Power Limited	1,335,992	87.11
Total	**1,533,600**	**100.00**

2. ***Meadow Housing Private Limited ("MHPL")***

Corporate Information

MHPL was incorporated on December 20, 2010 under the Companies Act, 1956. MHPL's registered office is located at Viswa Karma, 1st Floor, 86C Topsia Road, Kolkata – 700 046, West Bengal, India.

Nature of Business

MHPL is authorized to *inter alia* engage in the business of acquiring, purchasing, preparing, exchanging, hiring, selling, buying, executing, modelling, remodelling, altering, or otherwise dealing in lands, buildings, real estate, properties, furniture, machines, etc., letting out, hiring, renting, maintaining, providing amenities and services, commercial and industrial complexes, houses, flats, and all other kinds of moveable and immoveable properties, and completion of all sorts of projects relating to civil, electric, mechanical, electronic and telecommunication engineering, agriculture, etc. and to carry on the business of purchase, sale of building materials, development, creation, expansion, etc. of infrastructure projects, roads, highways, etc.

Capital Structure

The authorised share capital of MHPL is ₹ 12,500,000 divided into 1,250,000 equity shares of face value of ₹ 10 each and the issued, subscribed and paid up share capital of MHPL is ₹ 10,500,000 divided into 1,050,000 equity shares of face value of ₹ 10 each.

Shareholding Pattern

Name of the shareholder	Number of equity shares (of face value of ₹ 10 each) held	Percentage of issued and paid up share capital
Our Company	290,000	27.62
Shyam SEL and Power Limited	750,000	71.43
Sumitra Devi Agarwal	10,000	0.95
Total	**1,050,000**	**100.00**

3. ***Shyam Energy Limited ("SEL")***

Corporate Information

SEL was incorporated on February 28, 2002 under the Companies Act, 1956. SEL's registered office is located at 86C, Topsia Road, Vishwa Karma Building, Topsia, Kolkata – 700 046, West Bengal, India.

Nature of Business

SEL is authorized to *inter alia* engage in the business of an electric light and power company in all its branches, and the business of electrical engineers, electricians, mechanical engineers, and to generate, accumulate, distribute and supply electricity for the process of light, heat, motive power, and to generate, accumulate, transmit, distribute, purchase, sell and supply electricity power and power trading for all other purposes for which electric energy can be employed, and to manufacture and deal in all apparatus and things required for, or capable of being used in connection with the generation, distribution, supply accumulation and employment of electricity, and to carry on the business of consultants and advisors in relation to the abovementioned business.

Capital Structure

The authorised share capital of SEL is ₹ 20,000,000 divided into 2,000,000 equity shares of face value of ₹ 10 each and the issued, subscribed and paid up share capital of SEL is ₹ 19,590,500 divided into 1,959,050 equity shares of face value of ₹ 10 each.

Shareholding Pattern

Name of the shareholder	Number of equity shares (of face value of ₹ 10 each) held	Percentage of issued and paid up share capital
Brij Bhushan Agarwal	237,500	12.12
Sanjay Kumar Agarwal	12,500	0.64
Shyam SEL and Power Limited	1,693,750	86.46
Mahabir Prasad Agarwal & Brij Bhushan Agarwal	100	0.01
Mittu Agarwal & Brij Bhushan Agarwal	100	0.01
Narantak Dealcomm Limited	15,000	0.77
Sumitra Devi Agarwal & Brij Bhushan Agarwal	100	0.01
Total	**1,959,050**	**100.00**

4. ***Taurus Estates Private Limited ("TEPL")***

Corporate Information

TEPL was incorporated on December 24, 2010 under the Companies Act, 1956. TEPL's registered office is located at Trinity Tower, 83, Topsia Road, 7th Floor, Kolkata – 700 046, West Bengal, India.

Nature of Business

TEPL is authorized to *inter alia* engage in the business of acquiring, purchasing, preparing, exchanging, hiring, selling, buying, executing, modelling, remodelling, altering, or otherwise dealing in lands, buildings, real estate, properties, furniture, machines, etc., letting out, hiring, renting, maintaining, providing amenities and services, commercial and industrial complexes, houses, flats, and all other kinds of moveable and immoveable properties, and completion of all sorts of projects relating to civil, electric, mechanical, electronic and telecommunication engineering, agriculture, etc. and to carry on the business of purchase, sale of building materials, development, creation, expansion, etc. of infrastructure projects, roads, highways, etc.

Capital Structure

The authorised share capital of TEPL is ₹ 10,000,000 divided into 1,000,000 equity shares of face value of ₹ 10 each and the issued, subscribed and paid up share capital of TEPL is ₹ 8,400,000 divided into 840,000 equity shares of face value of ₹ 10 each.

Shareholding Pattern

Name of the shareholder	Number of equity shares (of face value of ₹ 10 each) held	Percentage of issued and paid up share capital
Mittu Agarwal	5,000	0.60
Kiran Vimal Agarwal	5,000	0.60
Shyam SEL and Power Limited	750,000	89.29
Subham Agarwal (Minor)	80,000	9.52
Total	**840,000**	**100.00**

5. ***Whispering Developers Private Limited ("WDPL")***

Corporate Information

WDPL was incorporated on December 20, 2010 under the Companies Act, 1956. WDPL's registered office is located at 5, C.R. Avenue, Princep Street, Kolkata – 700 072, West Bengal, India.

Nature of Business

WDPL is authorized to *inter alia* engage in the business of acquiring, purchasing, buying, selling, leasing, constructing, re-constructing, maintaining, managing, altering, furnishing, improving, or otherwise dealing in lands, buildings real estate, properties, furniture, fittings, machinery, etc, to let out on lease, hire, rent, maintain, provide amenities and services in and at commercial and industrial complexes, residential complexes, houses, flats, offices, malls, and various kinds of moveable and immoveable properties, and completion of all sorts of projects relating to civil, electric, mechanical electronics and telecommunication engineering, agriculture, hospital, sports, etc., and to carry on the business of purchase, sale of building material, construction, development, creation, etc. of infrastructure projects and roads, railways, waterways, etc.

Capital Structure

The authorised share capital of WDPL is ₹ 7,500,000 divided into 750,000 equity shares of face value of ₹ 10 each and the issued, subscribed and paid up share capital of WDPL is ₹ 7,400,000 divided into 740,000 equity shares of face value of ₹ 10 each.

Shareholding Pattern

Name of the shareholder	Number of equity shares (of face value of ₹ 10 each) held	Percentage of issued and paid up share capital
Subham Agarwal (minor)	235,000	31.76
Shyam SEL and Power Limited	500,000	67.57
Sumitra Devi Agarwal	5,000	0.68
Total	**740,000**	**100.00**

6. ***Nirjhar Commodities Private Limited ("NCPL")***

Corporate Information

NCPL was incorporated on March 25, 2014 under the Companies Act, 1956. NCPL's registered office is located at 5, C.R. Avenue, Princep Street, 2nd Floor, Kolkata – 700 072, West Bengal, India.

Nature of Business

NCPL is authorized to *inter alia* engage in the business of mining of coals, minerals and ores, lignite and gas either by open cast or underground or any other method anywhere in the country or otherwise, coal exploration and mining, deploying machineries in the exploration, excavation, exploitation of mines developments of coal, minerals and ores for common specified end use of promoter companies and to search, survey, discover and find out and acquire by concession, grant, purchase, barter, lease, license, degrees and allotment of tender/auction from government, semi-government, local authorities, private bodies, corporations or other persons, such rights, powers and privileges whatsoever for obtaining mines and mutual rights for the accomplishment of the above objects including to carry out all incidental and allied activities related to mining of coal and other minerals and ores making it available for common specified end use of promoters.

Capital Structure

The authorised share capital of NCPL is ₹ 2,500,000 divided into 250,000 equity shares of face value of ₹ 10 each and the issued, subscribed and paid up share capital of NCPL is ₹ 100,000 divided into 10,000 equity shares of face value of ₹ 10 each.

Shareholding Pattern

Name of the shareholder	Number of equity shares (of face value of ₹ 10 each) held	Percentage of issued and paid up share capital
Super Smelters Limited	4,200	42.00

Name of the shareholder	Number of equity shares (of face value of ₹ 10 each) held	Percentage of issued and paid up share capital
Shyam SEL and Power Limited	5,800	58.00
Total	**10,000**	**100.00**

7. ***Shree Sikhar Iron & Steel Private Limited ("SSISPL")***

Corporate Information

SSISPL was incorporated on June 15, 2006 under the Companies Act, 1956 as a private limited company as "*Sikhar Iron and Steel Private Limited*". Consequent to change of name to Shree Sikhar Iron & Steel Private Limited, a fresh certificate of incorporation was issued dated February 8, 2007 by the RoC. SSISPL's registered office is located at 5, C.R. Avenue, Princep Street, Kolkata – 700 072, West Bengal, India. The CIN of SSISPL is U27109WB2005PTC103768.

Nature of Business

SSISPL is authorized to *inter alia* engage in the business to promote, run, establish, install, takeover or setup mini steel plants, integrated steel plants, composite steel plants, hot rolling steel mills, cold rolling mills, blooms and billet mills, steel furnaces, concasts, rolling mills, induction furnaces, ferro alloys plant for the manufacturing, producing, converting, extracting, treating or processing of all types, grades and sizes of steels, stainless steels, special steels, high speed steels, die steels, electrical steels, forging steels, alloy steels, including direct hardening steels, case hardening steels, nitriding steels, ball bearing steels, corrosion resisting steels, heat resisting steel, free cutting steels, spring steels, silico-manganese steels, structural steels, ship building quality steels, armour steels, magnet steels, hot rolled and cold rolled grain oriented electrician steels, forging items or iron, steels and their alloys, ferrous and non-ferrous casting, iron and steel wire and wire products or any other type of steels, present or future, and any products, by-products, compounds and alloys thereof and to act as agent, broker, stockist, trader, buyer, seller, importer, exporter, job worker, or otherwise to deal in all goods, materials or things incidental to the attainment of the above objects. .

Capital Structure

The authorised share capital of SSISPL is ₹ 10,000,000 divided into 1,000,000 equity shares of face value of ₹ 10 each and the issued, subscribed and paid up share capital of NCPL is ₹ 5,755,000 divided into 575,500 equity shares of face value of ₹ 10 each.

Shareholding Pattern

Name of the shareholder	Number of equity shares (of face value of ₹ 10 each) held	Percentage of issued and paid up share capital
Our Company	500	0.09
Shyam SEL and Power Limited	575,000	99.91
Total	**575,500**	**100.00**

Amount of accumulated profits or losses of the Subsidiaries not accounted for by the Company

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of any of our Subsidiaries that have not been accounted for by our Company.

Interest in our Company

Except as provided in the sections entitled "*Our Business*" and "*Restated Financial Statements – Annexure V – Note 48B – Related party disclosure*", beginning on pages 131 and 272, respectively, none of our Subsidiaries have any business interest in our Company.

Common Pursuits

Except for SSPL, there are no common pursuits between our Subsidiaries and our Company. However, there is no conflict of interest amongst our Subsidiaries and our Company. If required, our Company will adopt necessary procedures and practices as permitted by law to address any conflict situations as 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 our Subsidiaries been refused listing in the last ten years 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

Board of Directors

In terms of our Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises of 12 Directors.

The following table sets forth details regarding our Board of Directors:

Sl. No.	Name, date of birth, designation, address, occupation, nationality, current term, period of directorship and DIN	Age (years)	Other directorships
1.	**Mahabir Prasad Agarwal** ***Date of Birth:*** April 5, 1946 ***Designation:*** Chairman ***Address:*** Shree Kunj, 14B, Alipore Park Road, Alipore, Kolkata – 700 027, West Bengal, India ***Occupation:*** Business ***Nationality:*** Indian ***Current Term:*** From May 15, 2018, Liable to retire by rotation ***Period of Directorship:*** Since April 6, 2018 ***DIN:*** 00235780	74	***Indian Companies*** • Britasia Hydro Power Private Limited • Kalinga Energy & Power Limited • Narantak Dealcomm Limited • Shyam Century Multi Projects Private Limited • Suhag Overseas Trading Private Limited • Whispering Developers Private Limited ***Foreign Companies*** Nil
2.	**Brij Bhushan Agarwal** ***Date of Birth:*** September 13, 1972 ***Designation:*** Vice Chairman and Managing Director ***Address:*** Shree Kunj, 14B, Alipore Park Road, Alipore, Kolkata – 700 027, West Bengal, India ***Occupation:*** Business ***Nationality:*** Indian ***Current Term:*** Five years commencing from October 1, 2019 ***Period of Directorship:*** Since incorporation of the Company ***DIN:*** 01125056	48	***Indian Companies*** • Dorite Tracon Private Limited • Shyam Century Cement Industries Limited • Shyam SEL and Power Limited • Shyam Solar Appliance Private Limited • Subham Capital Private Limited ***Foreign Companies*** Nil
3.	**Sanjay Kumar Agarwal** ***Date of Birth:*** March 27, 1976 ***Designation:*** Joint Managing Director ***Address:*** PS Astoria, 12A, Sarojini Naidu Sarani, Flat 13A. Kolkata – 700017, West Bengal, India. ***Occupation:*** Business	44	***Indian Companies*** • Kalpataru Housefin and Trading Private Limited • Shyam Century Metallic Limited • Shyam Energy Limited • Shyam SEL and Power Limited

Sl. No.	Name, date of birth, designation, address, occupation, nationality, current term, period of directorship and DIN	Age (years)	Other directorships
	Nationality: Indian ***Current Term:*** Five years commencing April 1, 2017 ***Period of Directorship:*** Since the date of incorporation ***DIN:*** 00232938		• Shyam Solar Appliance Private Limited ***Foreign Companies*** Nil
4.	**Deepak Kumar Agarwal** ***Date of Birth:*** January 6, 1974 ***Designation:*** Whole-time Director ***Address:*** 33A, Chandra Nath Chatterjee Street, Flat – 1A, North Block, Kolkata – 700 025, West Bengal, India ***Occupation:*** Service ***Nationality:*** Indian ***Current Term:*** Five years commencing from July 14, 2019 ***Period of Directorship:*** Since July 14, 2014 ***DIN:***00560010	47	***Indian Companies*** • Improved Realtors Private Limited • Shyam Energy Limited ***Foreign Companies*** Nil
5.	**Bhagwan Shaw** ***Date of Birth:*** January 20, 1973 ***Designation:*** Whole-time Director ***Address:*** 27, Durga Bari Road, Kolkata – 700 028, West Bengal, India ***Occupation:*** Service ***Nationality:*** Indian ***Current Term:*** Five years commencing April 1, 2017 ***Period of Directorship:*** Since March 7, 2013 ***DIN:*** 03419298	48	***Indian Companies*** • Gumla Aluminium Private Limited • Shyam Greenfield Developer Private Limited ***Foreign Companies*** Nil
6.	**Dev Kumar Tiwari** ***Date of Birth:*** January 1, 1971 ***Designation:*** Whole-time Director ***Address:*** Sarswati Vihar Ambira Nagar, Ainthapali, Sambalpur – 768 004, Odisha, India ***Occupation:*** Service ***Nationality:*** Indian ***Current Term:*** Five years commencing April 1, 2017	50	***Indian Companies*** • Shyam Greenfield Developer Private Limited ***Foreign Companies*** Nil

Sl. No.	Name, date of birth, designation, address, occupation, nationality, current term, period of directorship and DIN	Age (years)	Other directorships
	Period of Directorship: Since April 10, 2009 ***DIN**:* 02432511		
7.	**Venkata Krishna Nageswara Rao Majji** ***Date of Birth:*** June 12, 1952 ***Designation**:* Independent Director ***Address**:* Shree Ram Nagar Garividi Vizianagaram, Vishakapatnam – 535 101, Andhra Pradesh, India ***Occupation**:* Service ***Nationality**:* Indian ***Current Term**:* Four years commencing from April 3, 2020 ***Period of Directorship:*** Since December 13, 2014 ***DIN**:* 07035891	68	***Indian Companies*** • Sundaram Alloys Limited ***Foreign Companies*** Nil
8.	**Yudhvir Singh Jain** ***Date of Birth:*** August 8, 1952 ***Designation**:* Independent Director ***Address**:* P-13, MIG Flats, Prasad Nagar, New Delhi – 110 005, India ***Occupation**:* Service ***Nationality**:* Indian ***Current Term**:* Five years commencing from January 16, 2018 ***Period of Directorship:*** Since January 16, 2018 ***DIN**:* 06507365	68	***Indian Companies*** • KBG Consultants Private Limited • Prudent ARC Limited • Rockland Finstock Limited • Shyam SEL and Power Limited • Vikrangee Sales & Services Private Limited ***Foreign Companies*** Nil
9.	**Ashok Kumar Jaiswal** ***Date of Birth:*** March 28, 1958 ***Designation**:* Independent Director ***Address**:* 43, Hindustan Park, Flat 3B, 3rd Floor, Kolkata – 700 029, West Bengal, India ***Occupation**:* Service ***Nationality**:* Indian ***Current Term**:* Five years commencing from January 16, 2018 ***Period of Directorship:*** Since January 16, 2018	62	***Indian Companies*** • Palazzo Flat Owners Association ***Foreign Companies*** Nil

Sl. No.	Name, date of birth, designation, address, occupation, nationality, current term, period of directorship and DIN	Age (years)	Other directorships
	***DIN**:* 00545574		
10.	**Ajay Choudhury** ***Date of Birth:*** December 22, 1965 ***Designation**:* Independent Director ***Address**:* 375, Prince Anwar Shah Road, Flat – 32C, Tower 1, South City, PS-Jadavpur, Kolkata – 700 068, West Bengal, India ***Occupation**:* Professional ***Nationality**:* Indian ***Current Term**:* Five years commencing from April 6, 2018 ***Period of Directorship:*** Since April 6, 2018 ***DIN**:*00040825	55	***Indian Companies*** • Bengal Bonded Warehouse Association • Bengal Bonded Warehouse Limited • Candico (I) Limited • Metro Dairy Limited • Vermilion Art Private Limited ***Foreign Companies*** Nil
11.	**Kishan Gopal Baldwa** ***Date of Birth:*** March 1, 1952 ***Designation**:* Independent Director ***Address**:* 27/1A, Harish Mukherjee Road, F. No. 4C, Kolkata – 700 025 West Bengal, India ***Occupation**:* Chartered Accountant in practice ***Nationality**:* Indian ***Current Term**:* Five years commencing from May 15, 2018 ***Period of Directorship:*** Since May 15, 2018 ***DIN**:*01122052	68	***Indian Companies*** • Meshal Metal Trading Private Limited • Pradeep Reakmart Private Limited • Seatco Mercantile Private Limited • Web Exposition Private Limited ***Foreign Companies*** Nil
12.	**Rajni Mishra** ***Date of Birth:*** January 1, 1987 ***Designation:*** Independent Director ***Address:*** Rabindrapally, Maheshtala, Santoshpur (M), South 24 Parganas, West Bengal – 700142. ***Occupation:*** Service ***Nationality:*** Indian ***Current Term:*** Five years commencing from February 12, 2021. ***Period of Directorship:*** Since February 12, 2021.	34	***Indian Companies*** • Tunkai India Limited • Elpee Commercial Limited • Shyam Steel Industries Limited • Shyam Steel Manufacturing Limited ***Foreign Companies*** Nil

Sl. No.	Name, date of birth, designation, address, occupation, nationality, current term, period of directorship and DIN	Age (years)	Other directorships
	DIN: 07706571		

Relationship between our Directors

S. No	Name of Directors	Related to	Relationship
1.	Mahabir Prasad Agarwal	Brij Bhushan Agarwal	Father
2.	Sanjay Kumar Agarwal	Brij Bhushan Agarwal	Cousin

Brief Biographies of Directors

Mahabir Prasad Agarwal is the Non-Executive Chairman of our Company. He has been a Director of our Company since April 6, 2018. He is the founder of, and has been a director of, our Subsidiary, SSPL, since its inception and is one of the initial shareholders of our Company. He is actively involved in the CSR activities of our Company and our Subsidiary, SSPL. He has over three decades of experience in the steel and ferro alloys industry.

Brij Bhushan Agarwal is the Vice Chairman and Managing Director of our Company. He has been a Director of our Company since its inception in December, 2002. He holds a bachelor's degree in commerce from University of Calcutta. He is also the Vice Chairman and Managing Director of our Subsidiary, SSPL, and has been a director of SSPL since its inception. He has over three decades of experience in the steel and ferro alloys industry. He is primarily responsible for strategic planning, future expansion, business development, marketing, human resources and corporate affairs of our Company.

Sanjay Kumar Agarwal is the Joint Managing Director of our Company. He has been a Director of our Company since its inception in December, 2002. He holds a bachelor's degree in commerce, with honours, from the University of Calcutta. He has over 17 years of experience in the steel and ferro alloys industry. He is primarily responsible for the operations of our manufacturing plants at Sambalpur, Jamuria and Mangalpur, with focus on cost control, production efficiency and competitive procurement of raw material.

Deepak Kumar Agarwal is a Whole-Time Director of our Company. He has been a Director of our Company since July 14, 2014. He holds a bachelor's degree in commerce, with honours, from University of Calcutta. He is also an associate member of the Institute of Company Secretaries of India. He has previously been associated with Shyam SEL and Power Limited and has over a decade of experience in the steel and ferro alloys industry. He is responsible for handling the finance, risk management and corporate affairs of our Company and its Subsidiaries.

Bhagwan Shaw is a Whole-Time Director of our Company. He has been a Director of our Company since March 7, 2013. He has passed the secondary examination conducted by West Bengal Board of Secondary Education. Prior to his appointment as Director, he was manager (store) in our Company. He has 12 years of experience in the steel and ferro alloys industry. He is responsible for management and inventory control of stores and spares at our Sambalpur manufacturing plant.

Dev Kumar Tiwari is a Whole-Time Director of our Company. He has been a Director of our Company since April 10, 2009. He holds a bachelor's degree in arts (honours) from Bihar University, Muzaffarpur. Prior to his appointment as Director, he was a mechanical engineer in our Subsidiary, SSPL for 7 years. He has over 23 years of experience in the steel and ferro alloys industry. He is responsible for project implementation and operations of our Sambalpur manufacturing plant.

Venkata Krishna Nageswara Rao Majji is an Independent Director of our Company. He has been a Director of our Company since December 13, 2014. He holds a bachelor's degree in science from Andhra University. He was previously associated with Shyam Century Ferrous Limited. He has several years of experience in the iron and steel industry.

Yudhvir Singh Jain is an Independent Director of our Company. He has been a Director of our Company since January 16, 2018. He holds a bachelor's degree in science, with honours, from University of Delhi, and a bachelor's degree in law from Delhi University. He was previously associated with Corporation Bank for 34 years, and retired as a general manager.

Ashok Kumar Jaiswal is an Independent Director of our Company. He has been a Director of our Company since January 16, 2018. He holds a bachelor's degree in science from Banaras Hindu University. He is also a member of the Institute of Chartered Accountants of India. He has several years of experience in the finance sector and also passed the limited insolvency examination conducted by the Insolvency and Bankruptcy Board of India, constituted under the Insolvency and Bankruptcy Code, 2016.

Ajay Choudhury is an Independent Director of our Company. He has been a Director of our Company since April 6, 2018. He holds a bachelor's degree in commerce and a bachelor's degree in law from University of Calcutta and has been a member of the Bar Council of West Bengal for over 27 years. He is the proprietor of Choudhury Law Offices, providing legal services in the fields of arbitration, corporate, civil and restructuring matters and is a practising advocate in the High Court of Calcutta.

Kishan Gopal Baldwa is an Independent Director of our Company. He has been a Director of our Company since May 15, 2018. He holds a bachelor's degree in commerce from University of Rajasthan. He has been a fellow member of the Institute of Chartered Accountants of India for the past 36 years and has obtained a certificate of practise from the Institute of Chartered Accountants of India.

Rajni Mishra is an additional Independent Director of our Company. She has been a Director of our Company since February 12, 2021. She holds a bachelor's degree from Calcutta University in Botany, and a master's degree in business administration from the West Bengal University of Technology. She is also an associate of the Institute of Company Secretaries of India. She is also currently a director on the board of directors of Shyam Steel Industries Limited and Elpee Commercial Limited.

Confirmations

None of our Directors is or was a director of any company listed on any stock exchange, whose shares have been or were suspended from being traded during the five years preceding the date of this Draft Red Herring Prospectus, during the term of his/her directorship in such company.

None of our Directors is, or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

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 as a member 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.

Further, none of our Directors have been identified as Wilful Defaulters as defined under the SEBI ICDR Regulations.

Terms of appointment of Executive Directors

Brij Bhushan Agarwal

Brij Bhushan Agarwal has been a director of the Company since its incorporation. He was last re-appointed as Managing Director of our Company for a term of five years with effect from October 1, 2019, pursuant to a Board resolution dated June 11, 2020. The Shareholders have approved his re-appointment and remuneration pursuant to Shareholders resolution dated September 26, 2019. Subsequently the Board, pursuant to the resolution dated June 11, 2020, has approved the re-appointment of Brij Bhushan Agarwal as Vice Chairman and Managing Director. The details of remuneration governing his appointment (as per the agreement dated October 1, 2019, entered into between our Company and Brij Bhushan Agarwal) are stated below:

Particulars	Remuneration
Remuneration	Between ₹ 45 million to ₹ 90 million per annum, with effect from October 1, 2019, which may be reviewed by the Board.
Benefits	Other perquisites as per Company rules including (i) reimbursement of expenses incurred by him in purchase of newspaper, magazines, books and periodicals in accordance with the Company policy; (ii) reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company policy; (iii) reimbursement of any other expenses properly incurred by him in accordance with rules and policies of the Company and (iv) provision of chauffeur driven car for the use on Company's business, meal coupons and telephone at residence.

Sanjay Kumar Agarwal

Sanjay Kumar Agarwal was appointed as Director pursuant to a Board resolution dated December 11, 2002. He is also the Joint Managing Director of our Company. He was last re-appointed for a term of five years with effect from April 1, 2017 pursuant to a Board resolution dated March 30, 2017. The Shareholders have approved his re-appointment and re-designation as Joint Managing Director and remuneration pursuant to Shareholders resolution dated September 26, 2017.The details of remuneration governing his appointment (as per the agreement dated April 1, 2017, entered into between our Company and Sanjay Kumar Agarwal) are stated below:

Particulars	Remuneration
Remuneration	Up to ₹ 15.00 million per annum with April 1, 2017, which may be reviewed by the Board
Benefits	(i) Reimbursement of expenses incurred by him in purchase of newspaper, magazines, books and periodicals in accordance with the Company policy; (ii) reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company policy; (iii) reimbursement of any other expenses properly

Particulars	Remuneration
	incurred by him in accordance with rules and policies of the Company and (iv) provision of chauffeur driven car for the use on Company's business, meal coupons and telephone at residence

Deepak Kumar Agarwal

Deepak Kumar Agarwal has been a director of the Company since its incorporation and was last re-appointed as whole time Director pursuant to a Board resolution dated June 11, 2020, for a period of five years commencing from July 15, 2019. The Shareholders have approved his appointment and remuneration pursuant to Shareholders resolution dated September 26, 2019. The details of remuneration governing his appointment are stated below (as per the agreement dated July 14, 2019, entered into between our Company and Deepak Kumar Agarwal):

Particulars	Remuneration
Remuneration	Between ₹ 3.5 million to ₹ 10.00 million per annum, with effect from July 14, 2019, which may be reviewed by the Board
Benefits	Other perquisites as per Company rules including (i) reimbursement of expenses incurred by him in purchase of newspaper, magazines, books and periodicals in accordance with the Company policy; (ii) reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company policy; (iii) reimbursement of any other expenses properly incurred by him in accordance with rules and policies of the Company; (iv) provision of chauffeur driven car for the use on Company's business, meal coupons and telephone at residence and (v) the Whole Time Director shall be entitled to such increment from time to time as the Board may by its discretion determine.

Bhagwan Shaw

Bhagwan Shaw was appointed as non-executive Director pursuant to a Board resolution dated March 7, 2013.He was last re-appointed for a term of five years with effect from April 1, 2017 and re-designated as a whole-time Director, pursuant to a Board resolution dated March 30, 2017. The Shareholders have approved his re-appointment and re-designation as whole-time Director and remuneration pursuant to Shareholders resolution dated September 26, 2017. The details of remuneration governing his appointment are stated below (as per the agreement dated April 1, 2017, entered into between our Company and Bhagwan Shaw):

Particulars	Remuneration
Remuneration	Up to ₹ 1.50 million with effect from April 1, 2017, which may be reviewed by the Board
Benefits	(i) Other perquisites, as per Company rules; (ii) reimbursement of expenses incurred by him in purchase of newspaper, magazines, books and periodicals in accordance with the Company policy; (iii) reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company policy and (iv) reimbursement of any other expenses properly incurred by him in accordance with rules and policies of the Company.

Dev Kumar Tiwari

Dev Kumar Tiwari was appointed as additional Director pursuant to a Board resolution dated April 10, 2009. He was last re-appointed for a term of five years with effect from April 1, 2017and was re-designated as a whole-time Director pursuant to a Board resolution dated March 30, 2017. The Shareholders have approved his re-appointment and re-designation as whole-time Director and remuneration pursuant to Shareholders resolution dated September 26, 2017. The details of remuneration governing his appointment are stated below (as per the agreement dated April 1, 2017, entered into between our Company and Dev Kumar Tiwari):

Particulars	Remuneration
Remuneration	Up to ₹ 2.50 million per annum with effect from April 1, 2017, which may be reviewed by the Board
Benefits	(i) Other perquisites, as per Company rules; (ii) reimbursement of expenses incurred by him in purchase of newspaper, magazines, books and periodicals in accordance with the Company policy; (iii) reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company policy and (iv) reimbursement of any other expenses properly incurred by him in accordance with rules and policies of the Company.

Payments or benefits to Directors of our Company

Remuneration to Executive Directors

The sitting fees/other remuneration paid to our Directors in Financial Year 2020 are as follows:

Name of Director	Remuneration paid in Fiscal 2020 (in ₹ million)
Brij Bhushan Agarwal	20.63
Sanjay Kumar Agarwal	4.13
Deepak Kumar Agarwal	3.50
Bhagwan Shaw	0.60
Dev Kumar Tiwari	1.75

Remuneration to Non-executive Directors

Our Company has pursuant to a Board resolution dated April 6, 2018 fixed the sitting fees payable to our non-executive Directors, in addition to re-imbursement of actual expenses incurred by the Director in attending the meeting at ₹ 25,000/- per meeting for attending meetings of our Board, and ₹ 10,000 per meeting of committees of the Board thereof with effect from the next meeting of the Board, or committee thereof, respectively.

Our Company does not pay any remuneration to our non-executive and Independent Directors as an annual remuneration/ commission.

Our Company has not paid any remuneration to the non-Executive Directors in Financial Year 2020. The travel expenses for attending meetings of the Board of Directors or a committee thereof, site visits and other Company related expenses, if any, are borne by our Company, from time to time.

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

There is no arrangement or understanding with the major Shareholders, customers, suppliers or others, pursuant to which any of our Directors was appointed to the Board or was selected a member of senior management.

Shareholding of Directors in our Company

As per our Articles of Association, our Directors are not required to hold any qualification shares.

Other than as disclosed under "*Capital Structure – Details of Equity Shares held by our Directors, Key Management Personnel and directors of our Promoters and members of our Promoter Group*" on page 76, none of our Directors hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

Interest of Directors

Our Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board or committees thereof as well as to the extent of other remuneration and reimbursement of expenses payable under our Articles of Association. Some of our Directors may hold positions as directors on boards of our Subsidiaries and our Group Companies, and as heads of certain business verticals. In consideration for their services, they are paid managerial remuneration in accordance with the provisions of the Companies Act.

Except as stated in the section entitled "*Restated Financial Statements – Annexure V – Note 48B – Related party disclosure*" on page 272, and to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

Our Directors have no interest in any property acquired by our Company or proposed to be acquired of our Company or by our Company.

Further, our Directors have no interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

The Executive or whole-time Directors may also be regarded as interested in the Equity Shares held by them or Equity Shares that may be subscribed by or allotted to them. All of our Directors may also be deemed to be interested to the extent of remuneration (if applicable), reimbursement of expenses (if applicable), to the extent of any Equity Shares held by them (if applicable) and to the extent of benefits arising out of such shareholding and to the extent of the transactions entered into in the ordinary course of business with the companies in which our Directors hold directorship.

Other than Mahabir Prasad Agarwal, Brij Bhushan Agarwal and Sanjay Kumar Agarwal, who are our Promoters, and are interested as disclosed in the section entitled "*Our Promoters and Promoter Group*" on page 192, none of our Directors have any interest in the promotion or formation of our Company other than in the ordinary course of business.

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as Directors and/or as Key Management Personnel.

None of our Directors is party to any bonus or profit sharing plan of our Company. Further, there is no contingent or deferred compensation payable to our Directors at a later date.

Further, except statutory benefits upon termination of their employment in our Company on retirement, no officer of our Company, including our Directors and the Key Management Personnel, has entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Changes in the Board in the last three years

Name	Date of Appointment/Change/ Cessation	Reason
Ajay Choudhury	April 6, 2018	Appointment as Independent Director
Mahabir Prasad Agarwal	April 6, 2018	Appointment as additional Director
Debashis Bandyopadhyay	April 6, 2018	Resignation from post of Director
Bajrang Lal Agarwal	April 6, 2018	Resignation from post of Director
Kishan Gopal Baldwa	May 15, 2018	Appointment as additional Director
Rupanjana De	May 15, 2018	Appointment as additional Director
Kishan Gopal Baldwa	June 11, 2018	Re-designation as Independent Director
Rupanjana De	June 11, 2018	Re-designation as Independent Director
Mahabir Prasad Agarwal	June 11, 2018	Re-designation as Director and Chairman
Ashok Kumar Jaiswal	June 11, 2018	Re-designation as Independent Director
Yudhvir Singh Jain	June 11, 2018	Re-designation as Independent Director
Kiran Vimal Agarwal	June 20, 2018	Resignation from post of Director
Brij Bhushan Agarwal	June 20, 2018	Re-designation as Vice Chairman and Managing Director
Anoop Krishna	February 18, 2019	Appointed as Additional Independent Director
Anoop Krishna	September 5, 2019	Resignation from the post of Additional Independent Director
Rupanjana De	October 15, 2019	Resignation as Independent Director
Kiran Vimal Agarwal	March 5, 2020	Appointment as additional Director
Kiran Vimal Agarwal	December 29, 2020	Re-designation as Non-executive Director
Venkata Krishna Nageswara Rao Majji	June 25, 2020	Re-appointment as Independent Director
Kiran Vimal Agarwal	February 12, 2021	Resignation as Non-executive Director
Rajni Mishra	February 12, 2021	Appointment as Additional Independent Director
Rajni Mishra	February 19, 2021	Re-designation as Independent Director

Borrowing Powers of Board

In accordance with the Articles of Association and pursuant to a resolution passed by the Shareholders of our Company on June 11, 2018, provided that the total amount of money/monies so borrowed by our Board shall not at any time exceed the limit of ₹45,000 million.

Corporate Governance

The corporate governance provisions of the SEBI Listing Regulations will be applicable to us immediately upon the listing of the Equity Shares with the Stock Exchanges. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team, constitution of the Board committees and formulation of policies, each as required under law, including the SEBI Listing Regulations. We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act and the SEBI ICDR Regulations, in respect of corporate governance particularly in relation to constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations. Currently, our Board has 12 Directors, headed by the Chairman who is a non-executive director. In compliance with the requirements of the SEBI Listing Regulations, we have five Executive Directors and seven Non-Executive Directors, including six independent Directors on our Board. Our Board also has one woman Director. Further, in compliance with the provisions of the SEBI one of our independent Directors is also a director on the board of directors of our Material Subsidiary.

The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides the Board of Directors detailed reports on its performance periodically.

Committees of the Board

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

Audit Committee

The members of the Audit Committee are:

1. Kishan Gopal Baldwa, *Chairman*;

2. Ashok Kumar Jaiswal, *Member*;

3. Yudhvir Singh Jain, *Member*; and

4. Sanjay Kumar Agarwal, *Member*

The Audit Committee was constituted by a meeting of the Board of Directors held on April 4, 2008. The Audit Committee was last re-constituted on May 15, 2018. The terms of reference of the Audit Committee were last revised by a meeting of the Board of Directors on February 18, 2021.The scope and functions of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations.

Terms of reference of the Audit Committee:

The Audit Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, the following:

a) Overseeing our Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible;

b) Recommending to our Board, the appointment, re-appointment and replacement, remuneration, and terms of appointment of the internal auditor, cost auditor and statutory auditor and the fixation of the audit fee;

c) Reviewing and monitoring our auditor's independence and performance and the effectiveness of audit process;

d) Approving payments to our statutory, internal and cost auditors for any other services rendered by statutory, internal and cost auditors;

e) Reviewing with our management, the annual financial statements and auditor's report thereon before submission to our Board for approval, with particular reference to:

    i. Matters required to be stated in the Director's responsibility statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013;

    ii. Changes, if any, in accounting policies and practices and reasons for the same;

    iii. Major accounting entries involving estimates based on the exercise of judgement by management;

    iv. Significant adjustments made in the financial statements arising out of audit findings;

    v. Compliance with listing and other legal requirements relating to financial statements;

    vi. Disclosure of any related party transactions; and

    vii. Qualifications and modified opinions in the draft audit report.

f) Reviewing with our management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

g) Scrutiny of our inter-corporate loans and investments;

h) Valuation of undertakings or assets of our Company, wherever it is necessary;

i) Evaluation of our internal financial controls and risk management systems;

j) Approval or any subsequent modification of transactions of our company with related parties, provided that the Audit Committee may make omnibus approvals for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

***Explanation**: The term "related party transactions" shall have the same meaning as provided in Regulation 2(1)(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.*

k) 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

l) Evaluating undertakings or assets of the Company, wherever necessary;

m) Establishing a vigil mechanism for Directors and employees to report their genuine concerns or grievances;

n) Reviewing, with our management, the performance of statutory and internal auditors and adequacy of the internal control systems;

o) 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;

p) Discussion with internal auditors on any significant findings and follow up thereon;

q) 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 our Board;

r) Discussing with statutory auditors, internal auditors, secretarial auditors and cost auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

s) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

t) Approval of appointment of the chief financial officer (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

u) Reviewing the functioning of the whistle blower mechanism, in case the same is existing;

v) Carrying out any other function as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws; and

w) To formulate, review and make recommendations to the Board to amend our Audit and Risk Management Committee charter from time to time.

x) Reviewing the utilization of loans and/ or advances from /investment by the holding company in the subsidiaries exceeding ₹ 100 crores or 10% of the asset size of the relevant subsidiary, whichever is lower, including existing loans / advances / investments.

The powers of the Audit Committee include the following:

a) To investigate activity its terms of reference;

b) To seek information from any employees;

c) To obtain outside legal or other professional advice;

d) To secure attendance of outsiders with relevant expertise, if it considers necessary; and

e) To have full access to the information contained in the records of the Company.

The Audit Committee shall mandatorily review the following information:

a) Management discussion and analysis of financial condition and result of operations;

b) Statement of significant related party transactions (as defined by the Audit and Risk Management Committee), submitted by management;

c) Management letter/ 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; and

f) Statement of deviations:

   i. 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 SEBI Listing Regulations; and

   ii. 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 Listing Regulations.

The Audit Committee is required to meet at least four times in a year under the SEBI Listing Regulations.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

1. Ajay Choudhury, *Chairman*;

2. Ashok Kumar Jaiswal, *Member*; and

3. Mahabir Prasad Agarwal, *Member*

The Nomination and Remuneration Committee was constituted as the Compensation Committee by a meeting of the Board of Directors held on December 13, 2014 and was last re-constituted on September 28, 2020. The terms of reference of the Nomination and Remuneration Committee were last revised by a meeting of the Board of Directors on February 18, 2021. The scope and functions of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations.

Terms of reference of the Nomination and Remuneration Committee:

The Nomination and Remuneration Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, the following:

a) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

b) Formulation of criteria for evaluation of independent directors and the Board;

c) Devising a policy on Board diversity;

d) Identify persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance. Our Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

e) Analysing, monitoring and reviewing various human resource and compensation matters;

f) Determining our Company's policy on specific remuneration packages Executive Directors including pension rights and any compensation payment, and determining remuneration packages of such Directors;

g) Determine compensation levels payable to senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;

h) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

i) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, including the following:

   i. administering the employees' stock option plan;

   ii. determining the eligibility of employees to participate under the employees' stock option plan;

   iii. granting options to eligible employees and determining the date of grant;

   iv. determining the number of options to be granted to an employee;

   v. determining the exercise price under the employees' stock option plan;

   vi. deciding on matters such as quantum of, and milestones for grant, eligibility of employees who shall be entitled to grant of options, vesting period and conditions thereof, termination policies, etc.; and

   vii. construing and interpreting the employees' stock option plan and any agreements defining the rights and obligations of the Company and eligible employees under the employees' stock option plan, and prescribing, amending and/or rescinding rules and regulations relating to the administration of such plan;

j) Framing suitable policies and systems to ensure that there is no violation, as amended from time to time, of any securities law or any other applicable laws in India or overseas, including:

   1. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015: or

   2. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;

k) Determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and

l) Perform such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by such committee.

m) Recommending to the Board, all remuneration, in whatever form, payable to senior management.

Further, the quorum of each meeting of the Nomination and Remuneration Committee shall be either two members or one third of the members of the Nomination and Remuneration Committee, of atleast one shall be an independent director.

Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

1. Ashok Kumar Jaiswal, *Chairman;*

2. Sanjay Kumar Agarwal, *Member*; and

3. Yudhvir Singh Jain, *Member*

The Stakeholders' Relationship Committee was constituted by our Board of Directors at their meeting held on May 15, 2018. The scope and functions of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The terms of reference of the Stakeholders' Relationship Committee were last revised by a meeting of the Board of Directors on February 18, 2021.

Terms of reference of the Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, the following:

a) Redressal of grievances of our shareholders, debenture holders and other security holders, including complaints related to the transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc., and assisting with quarterly reporting of such complaints;

b) Giving consent to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

c) Dematerialisation of shares and re-materialisation of shares, issue of duplicate certificates and new certificates on split/consolidation/renewal;

d) Overseeing the performance of registrars and transfer agents of our Company and to recommend measures for overall improvement in the quality of investor services; and

e) Carrying out any other function as prescribed under the SEBI Listing Regulations, Companies Act, 2013 and the rules and regulations made thereunder, each as amended or other applicable law.

f) To specifically look into various aspects of interests of shareholders, debentures holders and other security holders.

g) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.

h) Review of measures taken for effective exercise of voting rights by shareholders.

i) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

j) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

4. Mahabir Prasad Agarwal, *Chairman;*

5. Brij Bhushan Agarwal, *Member*; and

6. Ajay Chaudhury, *Member*

The Corporate Social Responsibility Committee was constituted by our Board of Directors at their meeting held on December 13, 2014, and last reconstituted on September 28, 2020. The terms of reference of the Corporate Social Responsibility Committee of our Company, as per Section 135 of the Companies Act, 2013 and the applicable rules thereunder, include the following:

a) Formulating and recommending to the Board the corporate social responsibility policy of the Company, including any amendments thereto in accordance with Schedule VII of the Companies Act, 2013 and the rules made thereunder;

b) Identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;

c) Recommending the amount of corporate social responsibility policy expenditure for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

d) Identifying and appointing the corporate social responsibility team of the Company including corporate social responsibility manager, wherever required;

e) Delegating responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

f) Reviewing and monitoring the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and

g) Performing such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company.

IPO Committee

The members of the IPO Committee are:

1. Mahabir Prasad Agarwal, *Chairman*;

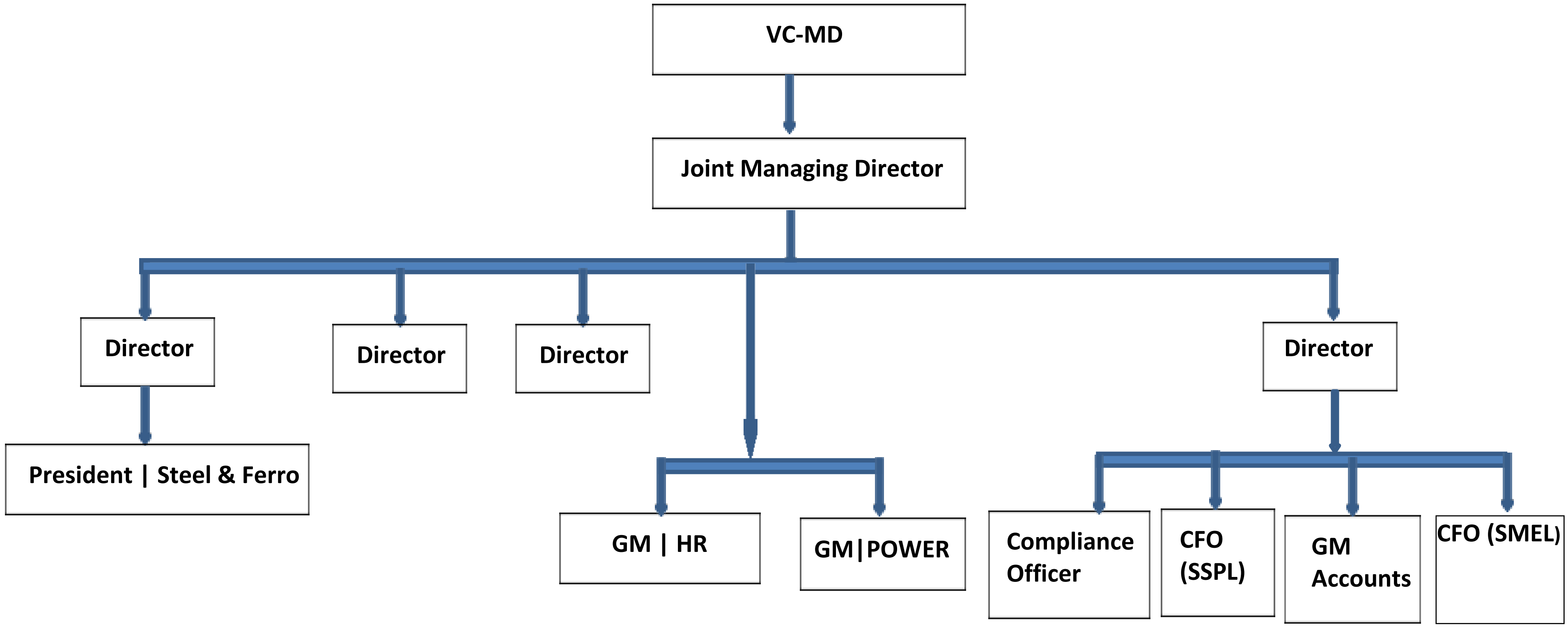
2. Brij Bhushan Agarwal, *Member*;

3. Sanjay Kumar Agarwal, *Member*; and

4. Deepak Kumar Agarwal, *Member*.

The IPO Committee was constituted by our Board of Directors on June 20, 2018. The IPO Committee has been authorized to approve and decide upon all activities in connection with the Offer, including, but not limited to, to approve the Draft Red Herring Prospectus, this Red Herring Prospectus and the Prospectus, to decide the terms and conditions of the Offer, to appoint various intermediaries, negotiating and executing Offer related agreements and to submit applications and documents to relevant statutory and other authorities from time to time.

Management Organisation Chart



Key Management Personnel

The details of the Key Management Personnel, in addition to our Vice Chairman and Managing Director, Brij Bhushan Agarwal, Joint Managing Director, Sanjay Kumar Agarwal, whole-time Directors, Deepak Kumar Agarwal, Dev Kumar Tiwari and Bhagwan Shaw, are set out below.

Other than as disclosed under " – *Relationship between our Directors*" on page 178, none of the Key Managerial Personnel are related to each other.

All the Key Management Personnel are permanent employees of our Company.

The details of our Key Management Personnel are as follows:

Shree Kumar Dujari is the Chief Financial Officer of our Company and has been associated with our Company since October 1, 2006. He holds a bachelor's degree in commerce from the University of Calcutta.He is also a member of the Institute of Chartered Accountants of India. He has over two decades of experience in accounts, finance and secretarial departments. Prior to joining our Company, he was associated with Hindustan Development Corporation Limited and with our Company as general manager of finance. During Financial Year 2020, he was paid a compensation of ₹ 2.49 million. His term of office is till his resignation or termination of service by our Company.

Birendra Kumar Jain is the Company Secretary and Compliance Officer of our Company and has been associated with our Company since April 6, 2018. He holds a bachelor's degree in commerce from the University of Calcutta. He is also a member of the Institute of Company Secretaries of India. He has over a decade of experience as a company secretary. Prior to joining our Company, he was associated with VSP Udyog Private Limited. During Financial Year 2020, he was paid compensation of ₹ 1.29 million. His term of office is till his resignation or termination of service by our Company.

Senior Management Personnel

The details of our Senior Management Personnel are as follows:

Bikram Munka is a director on the board of directors of our Subsidiary, SSPL, and has been associated with our Company and our Subsidiary since April 6, 2018. He holds a bachelor's degree in commerce from the University of Calcutta. He has over a decade of experience in the field of marketing of steel and ferro products. He currently heads the marketing division of our Company and of our Subsidiary, SSPL. He has been associated with SSPL since 2000. During Financial Year 2020, he was paid compensation of ₹ 1.82 million.

Biplob Chanda Barman is the President of our Company and has been associated with our Company since January 22, 2018. He holds a bachelor's degree in engineering (metallurgical engineering) from the University of Calcutta, and a master's degree in engineering from the University of Calcutta. He is currently in charge of the sponge division of our Company. Prior to joining our Company, he was associated with Brahmaputra Metallics Limited. During Financial Year 2020, he was paid compensation of ₹ 3.06 million.

Sumit Chakraborty is a General Manager (Human Resources) of our Subsidiary, SSPL, and has been associated with our Subsidiary from October 1, 2010. He holds a bachelor's degree in science from University of Calcutta, a post graduate diploma in personnel management from Annamalai University and has completed the masters program in business administration from Indian School of Business Management and Administration. He has also completed a course on applied managerial economics from Jadavpur University and a certificate course on information technology from CMC Limited. He has over 11 years of experience in human resources and personnel administration. Prior to joining SSPL, he was associated with Transafe Services Limited and CERATIZIT India Private Limited. During Financial Year 2020, he was paid compensation of ₹ 1.80 million.

Raj Kumar Gupta is the General Manager (Accounts) of our Company and has been associated with our Company from August 1, 2009. He holds a master's degree in commerce from the University of Burdwan. He has also passed the final examination conducted by the Institute of Chartered Accountants of India. He has over 10 years of experience in accounting. During Financial Year 2020, he was paid compensation of ₹ 1.58 million

Susmit Changia is the Chief Financial Officer of our Subsidiary, SSPL. He has been associated with SSPL, since April 1, 2015. He holds a bachelor's degree in commerce (Honours) from the University of Calcutta and a master's degree of business administration from the IFCAI University, Dehradun. He has over a decade of experience in field of finance and accounts. Prior to joining our Company, he was associated with UBS Service Centre (India) Private Limited. During Financial Year 2020, he was paid compensation of ₹ 1.73 million.

Shareholding of Key Management Personnel

Other than as disclosed under "*Capital Structure – Details of Equity Shares held by our Directors, Key Management Personnel and directors of our Promoters and members of our Promoter Group*" on page 76, none of our Key Managerial Personnel hold any Equity Shares as on the date of this Prospectus.

Bonus or profit sharing plan of the Key Management Personnel

Except for performance linked bonus, none of the Key Management Personnel is party to any bonus or profit sharing plan of our Company. For details, please see " – *Terms of appointment of Executive Directors*" on page 179.

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

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any Key Management Personnel was selected as a Key Managerial Personnel or member of senior management.

Contingent and deferred compensation payable to Key Managerial Personnel

There is no contingent or deferred compensation payable to Key Managerial Personnel.

Payment or Benefit to officers of our Company (non-salary related)

No non-salary related amount or benefit has been paid or given within the two preceding years or intended to be paid or given to any officer of the Company, including Key Managerial Personnel.

Retirement and termination benefits

Except applicable statutory benefits, none of our Key Managerial Personnel would receive any benefits on their retirement or on termination of their employment with our Company.

Changes in the Key Management Personnel

The changes in the Key Management Personnel in the last three years are as follows:

Name	Designation	Date of change	Reason for change
Birendra Kumar Jain	Company Secretary	April 6, 2018	Appointment

Employee Stock Option Plans

For details of the employees stock option plans of our Company, please see the section entitled "*Capital Structure*" on page 63.

OUR PROMOTERS AND PROMOTER GROUP

Mahabir Prasad Agarwal, Brij Bhushan Agarwal, Sanjay Kumar Agarwal, Subham Capital, Subham Buildwell, Narantak Dealcomm, Kalpataru Housefin, Dorite Tracon and Toplight Mercantiles are the Promoters of our Company. As on the date of this Draft Red Herring Prospectus, our Promoters currently hold an aggregate of 230,088,850 Equity Shares, equivalent to 98.49 % of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company. For further details, please see the section entitled "*Capital Structure*" on page 63.

Individual Promoters

	**Mahabir Prasad Agarwal** Mahabir Prasad Agarwal (DIN: 00235780), aged 74 years, is the Chairman of our Company. He resides at Shree Kunj, 14B, Alipore Park Road, Alipore, Kolkata – 700 027, West Bengal, India. He does not hold a driver's license. His Aadhaar card number is [redacted]. His permanent account number is ACWPA7573J. Mahabir Prasad Agarwal holds 2,525 Equity Shares in our Company. Other than as disclosed in this section, " – *Our Promoter Group*", "*History and Certain Corporate Matters*" and "*Our Management*" on pages 197, 158 and 174 respectively, Mahabir Prasad Agarwal is not involved in any other venture.
	**Brij Bhushan Agarwal** Brij Bhushan Agarwal (DIN: 01125056), aged 48 years, is the Vice Chairman and Managing Director of our Company. He resides at Shree Kunj, 14B, Alipore Park Road, Alipore, Kolkata – 700 027, West Bengal, India. He holds driver's license number WB01 19930326641. His Aadhaar card number is [redacted]. His permanent account number is ACGPA0365A. Brij Bhushan Agarwal holds 23,284,820 Equity Shares in our Company. Other than as disclosed in this section, " – *Our Promoter Group*", "*History and Certain Corporate Matters*" and "*Our Management*" on pages 197, 158 and 174 respectively, Brij Bhushan Agarwal is not involved in any other venture.
	**Sanjay Kumar Agarwal** Sanjay Kumar Agarwal (DIN: 00232938), aged 44 years, is the Joint Managing Director of our Company. He resides at PS Astoria, 13th Floor, 12A, Sarojini Naidu Sarant, Kolkata – 700 017, West Bengal, India. His permanent account number is ACVPA5953H. He holds driver's license number WB07 20170038466. His Aadhaar card number is [redacted]. Sanjay Kumar Agarwal holds 31,580 Equity Shares in our Company. Other than as disclosed in this section, " – *Our Promoter Group*", "*History and Certain Corporate Matters*" and "*Our Management*" on pages 197, 158 and 174 respectively, Sanjay Kumar Agarwal is not involved in any other venture.

Our Company confirms that the PAN, bank account number and passport number of Brij Bhushan Agarwal, Sanjay Kumar Agarwal and Mahabir Prasad Agarwal will be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

For the complete profile of Mahabir Prasad Agarwal, Brij Bhushan Agarwal and Sanjay Kumar Agarwal along with details of their dates of birth, educational qualifications, experience in the business or employment, positions/posts held in past, directorships, special achievements, their business and financial activities, please see the section entitled "*Our Management*" on page 174.

Corporate Promoters

Subham Capital

Corporate Information

Subham Capital was incorporated on November 24, 1994 under the Companies Act, 1956 as a private limited company as "S.A. Trading Company Private Limited". Consequent upon change of name to Subham Capital Private Limited, a fresh certificate of incorporation dated August 16, 2010 was issued by the RoC. Subham Capital's registered office is located at 5, C.R. Avenue, Princep Street, Kolkata – 700 072.

Subham Capital is authorised to engage in the business, *inter alia*, as a share and stock broker and for that purpose, obtain membership of stock exchanges and over the counter exchanges within and outside India, and to acquire warrants or other instruments, to act as a discount house for securities, to act as merchant bankers, managers, advisors and counsellors in capital markets, to underwrite, sub-underwrite or provide standby or procurement arrangements, subject to prior approval of SEBI, etc.

Subham Capital is registered with the RBI as a non-banking financial institution, bearing registration no. B-05.03275.

There has been no change in the activities of the Subham Capital since its incorporation.

Promoters

The promoters of Subham Capital are:

1. Mahabir Prasad Agarwal
2. Brij Bhushan Agarwal
3. Sumitra Devi Agarwal

Changes in control

There has been no change in control of Subham Capital in the last three years preceding the date of this Draft Red Herring Prospectus.

Our Company confirms that the PAN, bank account number and registration details of Subham Capital including address of the Registrar of Companies where Subham Capital is registered, will be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Subham Buildwell

Corporate Information

Subham Buildwell was incorporated on July 31, 2007 under the Companies Act, 1956 as a private limited company. Subham Buildwell's registered office is located at S.S. Chambers, 5, C.R. Avenue, Princep Street, Kolkata – 700 072, West Bengal, India.

Subham Buildwell is authorised to engage in the business of, *inter alia*, acquiring, by purchase, lease, exchange, hire or otherwise develop or operate land, building and hereditaments of any tenure or description including agricultural land, mines, quarries, tea or coffee gardens, farms, orchards, groves and any estate or interest therein and any right over or connected with the land and buildings so situated, or to turn the same to account as expedient, by preparing building sites, constructing, reconstructing, altering, improving, decorating, furnishing and maintaining hotels, room flats, workshops, mills, factories, etc. by leasing, hiring or disposing the same, etc.

There has been no change in the activities of the Subham Buildwell since its incorporation.

Promoters

The promoters of Subham Buildwell are:

1. Sumitra Devi Agarwal
2. Brij Bhushan Agarwal
3. Mittu Agarwal

Changes in control

There has been no change in control of Subham Buildwell in the last three years preceding the date of this Draft Red Herring Prospectus.

Our Company confirms that the PAN, bank account number and registration details of Subham Buildwell including address of the Registrar of Companies where Subham Buildwell is registered, will be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Narantak Dealcomm

Corporate Information

Narantak Dealcomm was incorporated on August 30, 1994 under the Companies Act, 1956 as a private limited company as "Narantak Dealcomm Private Limited". Consequent upon conversion to a public company and change of name to "Narantak Dealcomm Limited", a fresh certificate of incorporation was issued on January 7, 2002 by the RoC. Narantak Dealcomm's registered office is located at 5, C.R. Avenue, Princep Street, 2nd Floor, Kolkata – 700 072, West Bengal, India.

Narantak Dealcomm is authorised to engage in the business, *inter alia*, as buyers, sellers, traders, merchants, indentors, brokers, agents, commission agents, packers, stockists, distributors, hire purchasers, etc. of and in all kinds of rubberised cloth food grains, dairy products, soap detergents, biscuits, surgical, consumer products, consumer durables and all other kinds of goods and merchandise, commodities and articles of consumption of all kinds in India.

Narantak Dealcomm is registered with the RBI as a non-banking financial institution, bearing registration no. B-05.01547.

There has been no change in the activities of the Narantak Dealcomm since its incorporation.

Promoters

The promoters of Narantak Dealcomm are:

1. Mahabir Prasad Agarwal
2. Bajrang Lal Agarwal
3. Brij Bhushan Agarwal
4. Sanjay Kumar Agarwal

Changes in control

There has been no change in control of Narantak Dealcomm in the last three years preceding the date of this Draft Red Herring Prospectus.

Our Company confirms that the PAN, bank account number and registration details of Narantak Dealcomm including address of the Registrar of Companies where Narantak Dealcomm is registered, will be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Kalpataru Housefin

Corporate Information

Kalpataru Housefin was incorporated on March 24, 1992 under the Companies Act, 1956 as a private limited company. Kalpataru Housefin's registered office is located at 5, C.R. Avenue, Princep Street, 2nd Floor, Kolkata – 700 072, West Bengal, India.

Kalpataru Housefin is authorised to engage in the business of, *inter alia*, imports and exports, buyers, sellers, traders, merchants, indentors, brokers, agents, minors, mediators, packers, distributors, and dealers of and in all kinds of leather and finished leather goods, leather garments, all related items in leather, electric and electronics components and goods, iron and steel aluminium mineral, ferrous and non-ferrous metals, steel, jute, wool, timber, plastic and plastic goods, tea, coffee, paper and all types of consumer products in India or abroad.

Kalpataru Housefin is registered with the RBI as a non-banking financial institution, bearing registration no. 05.02485.

There has been no change in the activities of the Kalpataru Housefin since its incorporation.

Promoters

The promoters of Kalpataru Housefin are:

1. Bajrang Lal Agarwal
2. Sanjay Kumar Agarwal

Changes in control

There has been no change in control of Kalpataru Housefin in the last three years preceding the date of this Draft Red Herring Prospectus.

Our Company confirms that the PAN, bank account number and registration details of Kalpataru Housefin including address of the Registrar of Companies where Kalpataru Housefin is registered, will be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Dorite Tracon

Corporate Information

Dorite Tracon was incorporated on March 31, 1995 under the Companies Act, 1956 as a private limited company. Dorite Tracon's registered office is located at 5, C.R. Avenue, Princep Street, 2nd Floor, Kolkata – 700 072, West Bengal, India.

Dorite Tracon is authorised to engage in the business, *inter alia*, as buyers, sellers, suppliers, traders, merchants, stockists, distributors of all types of aluminium and rubber products, rubber bags, rain coats, shoes, food articles, forest products, tea bags, packaging all types of plastic and petrochemical items and writing materials/ instruments, chemicals, molasses, industrial and other gases, cotton yarn, data calculating, nuclear, medical and industrial equipment, etc., and all kinds of articles, merchandise and other things required in connection therewith.

Dorite Tracon is registered with the RBI as a non-banking financial institution, bearing registration no. B-05.03567.

There has been no change in the activities of the Dorite Tracon since its incorporation.

Promoters

The promoters of Dorite Tracon are:

1. Mahabir Prasad Agarwal
2. Bajrang Lal Agarwal
3. Brij Bhushan Agarwal
4. Sanjay Kumar Agarwal

Changes in control

There has been no change in control of Dorite Tracon in the last three years preceding the date of this Draft Red Herring Prospectus.

Our Company confirms that the PAN, bank account number and registration details of Dorite Tracon including address of the Registrar of Companies where Dorite Tracon is registered, will be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Toplight Mercantiles

Corporate Information

Toplight Mercantiles was incorporated on February 28, 1994 under the Companies Act, 1956 as a private limited company. Its registered office is situated at 5, C.R. Avenue, 2nd Floor, Kolkata – 700 072, West Bengal, India.

Toplight Mercantiles is authorised to engage in the business, *inter alia*, as importers and exporters, buyers, sellers, traders, merchants, miners, mediators, packers, distributors, advisors, hire purchasers of and in all kinds of rubberised cloth food grains, dairy products, soap detergents, surgical, diagnostics, leather and finished leather foods, handicrafts, coal, coal products, fur and fur made items, toys, buildings, etc., and merchandise, commodities and articles of consumption of all kinds in India or elsewhere.

There has been no change in the activities of the Toplight Mercantiles since its incorporation.

Promoters

The promoters of Toplight Mercantiles are:

1. Mahabir Prasad Agarwal
2. Bajrang Lal Agarwal
3. Brij Bhushan Agarwal
4. Sanjay Kumar Agarwal

Changes in control

There has been no change in control of Toplight Mercantiles in the last three years preceding the date of this Draft Red Herring Prospectus.

Our Company confirms that the PAN, bank account number and registration details of Toplight Mercantiles including address of the Registrar of Companies where Toplight Mercantiles is registered, will be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Interests of our Promoters

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company; (ii) of their shareholding and the shareholding of their relatives in our Company and the dividend payable, if any, and other distributions in respect of the Equity Shares held by them and their relatives; (iii) of being Directors and Key Management Personnel and the remuneration, benefits and reimbursement of expenses payable by our Company to them; and (iv) that our Company has undertaken transactions with them, their relatives or entities in which our Promoters hold shares. For details regarding the shareholding of our Promoters and other interests in our Company, please see the sections entitled "*Capital Structure*", "*Our Management*" and "*Restated Financial Statements – Annexure V – Note 48B – Related party disclosure*" on pages 63, 174 and 272, respectively.

Our Promoters have no interest in any property acquired in the three years preceding the date of the Draft Red Herring Prospectus or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Further, our Promoters are interested in our Company (i) to the extent of the equity shares held by them in our Subsidiaries and Associates, and the benefits accruing therefrom, (ii) to the extent that Brij Bhushan Agarwal is a director on the board of directors of our Subsidiary, SSPL, (iii) to the extent that Sanjay Kumar Agarwal is a director on the board of our Subsidiaries, SSPL and Shyam Energy Limited, and (iv) to the extent that Mahabir Prasad Agarwal is a director on the board of directors of our Subsidiary, Whispering Developers Private Limited. For details on how these business interests may impact the interest of our Company, please see the section entitled "*Risk Factors*" on page 21.

Our Promoters are not interested as a member in any firm or company which has any interest in our Company. Further, 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 Promoters to become, or qualify them as a director, or otherwise for services rendered by any our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Payment of benefits to our Promoters or our Promoter Group

Except as stated in "*Restated Financial Statements – Annexure V – Note 48B – Related party disclosure*", "*Our Management*" and "*Financial Information"* on pages 272, 174 and 210 respectively, no amount or benefit has been paid or given to our Promoters or members of our Promoter Group during the two years preceding the filing of this Draft Red Herring Prospectus nor is there any intention to pay or give any amount or benefit to our Promoters or members of our Promoter Group.

Material Guarantees

Our Promoters have 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.

Confirmations

None of our Promoters have been declared as Wilful Defaulters.

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

Our Promoters are not and have never been a promoter, director or person in control of any other company which is debarred from accessing capital markets under any order or direction passed by SEBI.

Our Promoters are not related to any of the sundry debtors or beneficiaries of loans and advances of our Company.

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 three years immediately preceding the date of this Draft Red Herring Prospectus.

Change in the control of our Company

Our Company was originally promoted by Mahabir Prasad Agarwal, Brij Bhushan Agarwal and Sanjay Kumar Agarwal. Our corporate Promoters, Subham Capital, Subham Buildwell, Kalpataru Housefin, Dorite Tracon, Narantak Dealcomm and Toplight Mercantiles have purchased or have been allotted Equity Shares pursuant to preferential allotments, certain schemes of amalgamation or bonus issues. For further details, please see the sections entitled "*Capital Structure*" and "*History and Certain Corporate Matters*" on page 63 and 158, respectively.

As on the date of this Draft Red Herring Prospectus, Subham Capital, Subham Buildwell, Kalpataru Housefin, Dorite Tracon, Narantak Dealcomm and Toplight Mercantiles, in aggregate hold 206,769,925 Equity Shares, equivalent to 88.51%, in aggregate, of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company. For details of the acquisition of shares, terms of acquisition and consideration paid for acquisition, please see the sections entitled "*Capital Structure*" and "*History and Other Corporate Details*" on pages 63 and 158 respectively.

Our Promoter Group

In addition to the Promoters named above, the following individuals and entities form part of the Promoter Group of the Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations.

A. Natural persons who are part of the Promoter Group

Name of Promoter	Name of relative	Nature of relationship
Brij Bhushan Agarwal	Mittu Agarwal	Spouse
	Sumitra Devi Agarwal	Mother
	Mahabir Prasad Agarwal	Father
	Kiran Vimal Agarwal	Sister
	Anita Jhunjhunwala	Sister
	Sangeeta Agarwal	Sister
	Sheetij Agarwal	Son
	Subham Agarwal	Son
	Tanishi Agarwal	Daughter
	Pushpa Mittal	Spouse's mother
	Vikas Mittal	Spouse's brother
Sanjay Kumar Agarwal	Pooja Agarwal	Spouse
	Bina Devi Agarwal	Mother
	Bajrang Lal Agarwal	Father
	Varsha Kejriwal	Sister
	Shilpa Jain	Sister
	Divyansh Agarwal	Son
	Aadya Agarwal	Daughter
	Ramesh Chandra Gupta	Spouse's father
	Krishna Gupta	Spouse's mother
	Akshat Gupta	Spouse's brother
	Priti Mittal	Spouse's sister
	Swetya Goyal	Spouse's sister
	Ruchi Khhemka	Spouse's sister
	Neha Gupta	Spouse's sister
Mahabir Prasad Agarwal	Sumitra Devi Agarwal	Spouse
	Pawan Kumar Agarwal	Brother
	Bajrang Lal Agarwal	Brother
	Savitri Devi Gupta	Sister
	Brij Bhushan Agarwal	Son
	Kiran Vimal Agarwal	Daughter
	Anita Jhunjhunwala	Daughter
	Sangeeta Agarwal	Daughter
	Ashok Mittal	Spouse's brother
	Bajrang Lal Mittal	Spouse's brother
	Vijay Mittal	Spouse's brother
	Kaushalya Devi Agarwal	Spouse's sister
	Mina Agarwal	Spouse's sister
	Sashi Bansal	Spouse's sister

B. Entities forming part of the Promoter Group

- Aksharvani Agency Private Limited
- Angarika Business Private Limited
- Aradhana Greenfield Developers Private Limited
- Britasia Hydro Power Private Limited
- Damodar Alumunium Private Limited
- Dasbhuja Wholesellers Private Limited
- Daxesh Sales Private Limited
- Dewdrop Enclave Private Limited
- Dinanath Sales Private Limited
- Dwarkapuri Distributors Private Limited
- Dwarkapuri Trading Private Limited
- Elysian Beauty Products Private Limited
- Essel Plywood Private Limited
- Esteem Angan Private Limited
- Eureka Complex Private Limited
- Eureka Hydro Power Private Limited
- Everlasting Residency Private Limited
- Gajrup Commodities Private Limited
- Gandhini Housing Private Limited
- Ganeshdham Housing Private Limited
- Gangadhar Traders Private Limited
- Glowing Realty Private Limited
- Goodlife Hydro Power Private Limited
- Goodlook Infracon Private Limited
- Gopal Priya Impex Private Limited
- Gumla Alumunium Private Limited
- Kalashsidhi Commerce Private Limited
- Khera Pati Enclave Private Limited
- Kolhan Complex Private Limited
- Lakhdatar Commercial Private Limited
- Lakhdatar Retailers Private Limited
- Lilac Infratech Private Limited
- Madhudhan Mercantile Private Limited
- Meantime Vinimay Private Limited
- Meghana Vyapaar Private Limited
- Moonlike Vanijya Private Limited
- Moonlike Vyapaar Private Limited
- Moontree Enterprises Private Limited
- Nagnath Vyapaar Private Limited
- Nightbird Commosales Private Limited
- Oversure Wholesellers Private Limited
- Palanhar Vinimay Private Limited
- Panchdhan Vinimay Private Limited
- Panchmurti Shoppers Private Limited
- Panchshree Mercantile Private Limited
- Panchwati Vyapaar Private Limited
- Pawansathi Housing Private Limited
- Platinum Minmet Private Limited
- Priyamvada Infrastructure Private Limited
- Priyamvada Properties Private Limited
- Pushpanjali Abasan Private Limited
- Ranisati Vihar Private Limited
- Ranisatidadi Merchants Private Limited
- Rashiamrit Heights Private Limited
- Rockland Apartment Private Limited
- Rollon Creations Private Limited
- S. S. Natural Resources Private Limited

- Sankatharan Mercantile Private Limited
- Sankatharan Properties Private Limited
- Sankatharan Realestate Private Limited
- Sanwaraseth Enclave Private Limited
- Sanyog Textiles Private Limited
- Sarvada Hirise Private Limited
- Seamarin Projects Private Limited
- Seamarin Real Estate Private Limited
- Shitalmay Heights Private Limited
- Shivphal Realestate Private Limited
- Shyam Century Multi Projects Limited
- Shyam Emco Infrastructure Limited
- Shyam Ferro Alloys Limited
- Shyam Greenfield Developers Private Limited
- Shyam Minmet Private Limited
- Shyam Solar Appliances Private Limited
- Sidhimangal Retailers Private Limited
- Silverfine Developers Private Limited
- Sindbad Hydro Power Private Limited
- Starpoint Housing Private Limited
- Status Multiplex Private Limited
- Subhlabh Commercials Private Limited
- Suhag Overseas Trading Private Limited
- Sunglow Complex Private Limited.
- Swarnrekha Abasan Private Limited
- Vajreshwari Realty Private Limited
- Vidyalaxmi Homes Private Limited
- Whispering Developers Private Limited
- Wisely Real Estate Private Limited
- Wonderland Projects Private Limited
- Mahabir Prasad Agarwal & Sons (HUF)
- Mahabir Prasad Agarwal Family Trust
- Brij Bhushan Agarwal & Sons (HUF)
- Sumitra Devi Agarwal Family Trust
- Sheetij Agarwal Family Trust
- Brij Bhushan Agarwal Family Trust
- Sanjay Agarwal & Sons (HUF)
- Sanjay Agarwal Family Trust
- Bajrang Lal Agarwal & Sons (HUF)
- ASPS Developers LLP
- Superdiamond Shyam Avasa LLP

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term "group companies", includes (i) such companies (other than promoter(s) and subsidiary(ies)) with which there were related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company.

Accordingly, all such companies with which our Company had related party transactions as per the Restated Financial Statements, as covered under the relevant accounting standard (i.e. Ind AS 24) have been considered as Group Companies in terms of the SEBI ICDR Regulations.

Additionally, pursuant to the Materiality Policy, a company shall be considered material and shall be disclosed as a Group Company in this Draft Red Herring Prospectus if: (i) the Company and/or its Promoters hold 10% or more of the equity share capital of such company; and (ii) the Company has entered into one or more transactions with such company during the last completed fiscal year, which individually or cumulatively in value exceeds 5% of the total consolidated income of the Company for that fiscal year as per the Restated Financial Statements.

Based on the above, our Board has identified the following as the Group Companies of our Company:

1. Britasia Hydro Power Private Limited;
2. Elysian Beautification Private Limited;
3. Essel Plywood Private Limited;
4. Godawari Natural Resources Private Limited;
5. Improved Realtors Private Limited;
6. Kalinga Energy & Power Limited;
7. Kecons Tradecare Private Limited;
8. Kolhan Complex Private Limited;
9. Meghana Vyapaar Private Limited;
10. Platinum Minmet Private Limited;
11. Salagram Power & Steel Private Limited.
12. Shyam Century Multiprojects Private Limited;
13. Shyam Emco Infrastructure Limited;
14. Shyam Ferro Alloys Limited;
15. Shyam Greenfield Developers Private Limited;
16. Shyam Ores (Jharkhand) Private Limited;
17. Shyam Solar Appliance Private Limited;
18. Sindbad Hydro Power Limited;
19. S.S. Natural Resources Private Limited;
20. Subhlabh Commercials Private Limited;
21. Suhag Overseas Trading Private Limited; and
22. Swarnrekha Abasan Private Limited.

Unless otherwise specified, all information in this section is as of the date of this Draft Red Herring Prospectus.

A. *Details of top five Group Companies*

Set out below are details of our five largest Group Companies based on turnover.

1. *Shyam Ferro Alloys Limited ("SFAL")*

Corporate information

SFAL was incorporated on May 16, 1995 under the Companies Act, 1956 as a public limited company. The CIN of SFAL is U27109WB1995PLC071548.

Nature of activities

SFAL is authorized to engage in the business of, *inter alia*, manufacturing, processing, re-rolling, refining, smelting, converting, producing, exporting, importing, trading, stocking, buying, selling, acting as agents or merchant in all kinds and forms of ferrous and non-ferrous metals, ferro alloys, ferro silicon, and other materials made wholly or partly of iron, steel, alloys and metals used for industrial, defence, transport purposes, etc or any by-products obtained in the process of manufacturing such steel products.

Financial Information

(in ₹ million, except share data)

Particulars	For the Financial Year		
	2020	**2019**	**2018**
Equity Capital	311.72	311.72	311.72
Reserves (excluding revaluation reserves) and surplus	4,181.16	3,345.34	2,663.85
Revenue from operations and other Income	10,479.12	13,725.77	12,674.59
Profit/(Loss) after tax	835.82	620.40	564.59
Earnings/(Loss) per share (₹) (Basic)	26.71	19.90	18.11
Earnings/(Loss) per share (₹) (Diluted)	26.71	19.90	18.11
Net asset value per share (in ₹)	144.14	117.33	95.46

Significant notes of auditors of SFAL for the last three Financial Years

There are no significant notes of the auditors for the last three Financial Years.

2. ***Salagram Power & Steel Private Limited ("SPSPL")***

Corporate information

SPSPL was incorporated as Shyam IT Park Developers Private Limited on September 26, 2011, under the Companies Act, 1956, as a private limited company. Subsequently, its name was changed to "*Salagram Power & Steel Private Limited*" pursuant to a certificate of incorporation on change of name dated July 14, 2016. The CIN of SPSPL is U31100WB2011PTC168115.

Nature of Activities

SPSPL is authorised to engage in the business of manufacturers, dealers, exporters, and importers of kinds of instruments, apparatus, appliances, machinery and also all varieties of steel, special steel, carbon steel, mild steel and any other kind and grades of steel, kinds of instruments, apparatus, appliances and machinery, and to carry on and execute the work of steel engineers and also to produce, distribute, generate, supply power from any sources.

Financial Information

(in ₹ million, except share data)

Particulars	For the Financial Year		
	2020	**2019**	**2018**
Equity Capital	93.23	93.23	93.23
Reserves (excluding revaluation reserves) and surplus	1,295.81	1,268.35	1,166.46
Revenue from operations and other Income	2,661.55	2,264.86	1,846.93
Profit/(Loss) after tax	27.46	101.89	6.33
Earnings/(Loss) per share (₹) (Basic)	2.95	10.93	0.68
Earnings/(Loss) per share (₹) (Diluted)	2.95	10.93	0.68
Net asset value per share (in ₹)	149.00	146.05	135.12

Significant notes of auditors of SPSPL for the last three Financial Years

There are no significant notes of the auditors for the last three Financial Years.

3. ***Godawari Natural Resources Private Limited*** ("**GNRL**")

Corporate information

GNRL was incorporated on November 11, 2008 under the Companies Act, 1956. The CIN of GNRL is U14200CT2008PTC020926.

Nature of activities

The Company is primarily engaged in the trade of mining, exploration, trade and dealing of all kinds of natural resources, including coal, iron, manganese, aluminium, gas, oil, and other natural resources.

Financial Information

(in ₹ million, except share data)

Particulars	For the Financial Year		
	2020	**2019**	**2018**
Equity Capital	0.50	0.50	0.50

Particulars	For the Financial Year		
	2020	2019	2018
Reserves (excluding revaluation reserves) and surplus	47.18	28.44	14.20
Revenue from operations and other Income	776.16	723.71	204.82
Profit/(Loss) after tax	18.74	14.24	14.54
Earnings/(Loss) per share (₹) (Basic)	374.83	284.80	290.87
Earnings/(Loss) per share (₹) (Diluted)	374.83	284.80	290.87
Net asset value per share (in ₹)	948.76	578.81	294.01

Significant notes of auditors of GNRL for the last three Financial Years

There are no significant notes of the auditors for the last three Financial Years.

4. ***Shyam Solar Appliance Private Limited ("SSAPL")***

Corporate information

SSAPL was incorporated on June 17, 2008 under the Companies Act, 1956 as a private limited company. The CIN of SSAPL is U40106WB2008PTC126637.

Nature of activities

SSAPL is authorized to engage in the business of, *inter alia*, manufacturing, producing, distributing, buying, selling, trading, acting as merchants, indentors, brokers, agents, advisors, hire purchasers, etc. of all kinds of solar products and related activities.

Financial Information

(in ₹ million, except share data)

Particulars	For the Financial Year		
	2020	2019	2018
Equity Capital	1.02	1.02	1.02
Reserves (excluding revaluation reserves) and surplus	18.13	9.61	8.21
Revenue from operations and other Income	29.77	3.55	6.93
Profit/(Loss) after tax	8.97	9.48	3.43
Earnings/(Loss) per share (₹) (Basic)	87.92	9.30	33.60
Earnings/(Loss) per share (₹) (Diluted)	87.92	9.30	33.60
Net asset value per share (in ₹)	187.75	104.22	90.49

Significant notes of auditors of SSAPL for the last three Financial Years

There are no significant notes of auditors for the last three Financial Years.

5. ***Improved Realtors Private Limited ("IRPL")***

Corporate information

IRPL was incorporated on April 12, 2007 under the Companies Act, 1956 as a private limited company. The CIN of IRPL is U45400WB2007PTC115153.

Nature of activities

IRPL is authorised to own, make, develop, construct, build, design, equip, maintain, improve, plan, survey, enlarge, remove, replace, pull down, remodel, reconstruct, alter, acquire, work, sell purchase and otherwise deal in land, apartments, houses, flats, offices, concert halls, ball rooms, music halls, cinema halls, theaters, chattels, cottages, farmhouse, agricultural land, shops, factories, warehouses, estates, orchards, IT parks, game parks, game courses and buildings.

Financial Information

(in ₹ million, except share data)

Particulars	For the Financial Year		
	2020	2019	2018
Equity Capital	1.40	1.40	1.40
Reserves (excluding revaluation reserves) and surplus	8.94	9.22	9.50
Revenue from operations and other Income	1.22	1.25	1.00
Profit/(Loss) after tax	(0.32)	(2.69)	(0.34)
Earnings/(Loss) per share (₹) (Basic)	(2.23)	(1.92)	(2.45)

Particulars	For the Financial Year		
	2020	2019	2018
Earnings/(Loss) per share (₹) (Diluted)	(2.23)	(1.92)	(2.45)
Net asset value per share (in ₹)	73.86	75.86	77.86

Significant notes of auditors of IRPL for the last three Financial Years

There are no significant notes of auditors for the last three Financial Years.

B. ***Details of other Group Companies***

1. ***Britasia Hydro Power Private Limited ("BHPPL")***

Corporate information

Britasia Hydro Power Private Limited was incorporated on November 14, 2011 under the Companies Act, 1956 as a private limited company. The CIN of BHPPL is U70102WB2011PTC169362.

Nature of activities

BHPPL is primarily engaged in the business to acquire, purchase, prepare, exchange, hire, buy, sell, lease, construct, re-construct, build, develop, promote, execute, undertake, contract, maintain, manage, run, model, remodel, erect, demolish, alter, furnish, improve, enlarge, pulling down, decorate, architect or otherwise deal in lands, buildings, real estate, properties, hereditaments, furniture fittings, machines, to let out on lease, hire, rent, maintain, provision of amenities and services in and at commercial & industrial complexes, residential complexes, multi-purpose housing, office buildings, houses, flats, apartments, hospitals, shopping mall, hotels, motels, resorts, holiday homes, restaurants, amusement parks, IT Parks, multiplexes, auditorium, golf course, film city, clubs, educational institute, place of worships, conference- rooms, library, dairy farms, agro-projects and all other kinds of movable as well as immovable properties and completion of all sorts of project relating to civil electric, mechanical electronics & telecommunication engineering, agriculture, estate management, education, sports, etc. and to carry on the business of purchase, sale, hire, lend, lease of building materials, construction equipments, development, creation, expansion, design, modernization, management and maintenance of infrastructure projects, sanitation, water, sewerage disposal at industrial estates, townships, industrial parks, food parks, bio-technology parks, nursery business, old age homes or any other facility of similar nature and to act a civil engineer, architectural engineer, interior decorator, consultant, advisor, agent, broker, supervisor, administrator, contractor, sub-contractor, maintenance, security services and to mobilize resources and to arrange both private and/or Government sector participations for development of infrastructure projects, either on its own and/or in agreement, arrangement, association, collaboration, and joint venture with any individual, body or bodies corporate, partnership firm, company, or other organizations, Central, State Government, Local authorities and any other statutory authority, foreign collaboration projects etc and also to carry on the business of an Estate, Construction and Land Agent.

2. ***Elysian Beautification Private Limited*** ("***EBPL***")

Corporate information

EBPL was incorporated on September 10, 2020, under the Companies Act, 2013, as a private limited company. The CIN of EBPL is U51909WB2020PTC239626.

Nature of activities

The Company is primarily engaged in the business of import, export, deal, trade in all kinds of beauty products both natural and man made.

3. ***Essel Plywood Private Limited ("ESPL")***

Corporate information

EPPL was incorporated on August 17, 1995 under the Companies Act, 1956 as a private limited company. The CIN of ESPL is U02005WB1995PTC073522.

Nature of activities

EPPL is authorized to buy, sell, prepare for market, manipulate, import, export and deal in all kinds of timber, wood, plywood, veneer and boards and to establish, erect, operate, maintain and run saw mills, veneer and plywood mills, and to carry on the business of purchase and sale of logs, timber, veneer, tea-chest, commercial plywood, teak plywood, flush door, windows, black boards and other articles made of wood, woodply, etc.

4. ***Kalinga Energy & Power Limited ("KEPL")***

For details in relation to KEPL, please see the section entitled "*History and certain corporate matters*" on page 158.

5. ***Kecons Tradecare Private Limited ("KTPL")***

For details of the corporate information and nature of activities of KTPL, please see the section entitled "*History and certain corporate matters*" on page 158.

6. ***Kolhan Complex Private Limited ("KCPL")***

For details in relation to KCPL, please see the section entitled "*History and certain corporate matters*" on page 158.

7. ***Meghana Vyapaar Private Limited ("MVPL")***

For details in relation to the corporate information and nature of activities of MVPL, please see the section entitled "*History and certain corporate matters*" on page 158.

8. ***Platinum Minmet Private Limited ("PMPL")***

Corporate information

PMPL was incorporated on September 5, 2008 under the Companies Act, 1956 as a private limited company. The CIN of PMPL is U70200WB2008PTC129093.

Nature of activities

PMPL is authorized to carry on in India or elsewhere, the business to acquire, purchase, prepare, exchange, hire, buy, sell, lease, construct, re-construct, build, develop, promote, execute, undertake, contract, maintain, manage, run, model, remodel, erect, demolish, alter, furnish, improve, enlarge, pulling down, decorate, architect or otherwise deal in lands buildings, real estate, properties, hereditaments, furniture fittings, machines, to let out on lease, hire, rent, maintain, provision of amenities and services in and at commercial and industrial complexes, residential complexes, multi-purpose housing, office building, houses, flats, apartments, hospitals, shopping mall, hotels, motels, resorts, holiday homes, restaurants, amusement parks,etc., and also to carry on the business of an estate, construction and land agent.

9. ***Shyam Century Multiprojects Private Limited ("SCMPL")***

Corporate information

Shyam Century Multiprojects Private Limited was incorporated on March 18, 1996 under the Companies Act, 1956 as a private limited company as "Gunjan Commodities Private Limited". Pursuant to change of name to Shyam Century Multiprojects Private Limited, a fresh certificate of incorporation was issued by the RoC on April 19, 2005. The CIN of SCMPL is U45201WB1996PTC078149.

Nature of activities

SCMPL is authorised to *inter alia* acquire by purchase, lease, exchange, hire or otherwise, lands and property of any tenure or any interest in the same and to erect the construct houses, buildings or works of every description on any land of the Company or upon any other lands or property and to pull down, rebuild, enlarge, alter and improve existing houses, buildings or works of thereon, to convert and appropriate any such land into and for roads, street, squares, gardens and other conveniences and generally to deal with and improve the property and to sell, lease, let, mortgage or otherwise dispose of infrastructure development schemes, in relation to telecom, electrical, gas and petroleum.

10. ***Shyam Emco Infrastructure Limited ("SEIL")***

Corporate information

SEIL was incorporated on June 1, 2007 under the Companies Act, 1956 as a public limited company as "Shyam Century Infrastructure Limited". Consequent to change of name to Shyam Emco Infrastructure Limited, a fresh certificate of incorporation was issued dated January 14, 2010 by the RoC. The CIN of SEIL is U45400WB2007PLC116306.

Nature of activities

SEIL is authorized to engage, *inter alia*, in the business of building, constructing, acquiring, maintaining, developing, managing, reparing and providing terminals and administering terminals, industrial estates, housing, constructions, roads, bridges, recreational facilities, medical facilities, educational centres and other constructions, to promote and participate in ecological development, preservation and betterment of the environment, etc., either separately or in collaboration with others and to render technical and managerial advice in building construction, maintaining, repairing and managing such places.

11. ***Shyam Greenfield Developers Private Limited*** ("***SGDPL***")

Corporate information

Shyam Greenfield Developers Private Limited was incorporated on May 11, 2009 under the Companies Act, 1956 as a private limited company. The CIN of SGDPL is U45400WB2009PTC135040.

Nature of activities

SGDPL is authorized to *inter alia* carry on the business to acquire, purchase, prepare, exchange, hire, buy, sell, construct, reconstruct, build, develop, promote, etc. all kinds of construction activities including greenfield projects development.

12. ***Sindbad Hydro Power Private Limited ("SHPPL")***

Corporate information

SHPPL was incorporated on November 14, 2011 under the Companies Act, 1956 as a private limited company. The CIN of SHPPL is U70102WB2011PTC169370.

Nature of activities

SHPPL is authorized to *inter alia* carry on, manage, supervise and control the business of transmitting, manufacturing, supplying, generating, distributing and dealing in electricity in all forms of energy and power generated by renewable sources, whether water, steam, hydro or tidal, deep sea current, geothermal etc.

13. **Shyam Ores (Jharkhand) Private Limited ("*SOJPL*")**

Corporate information

SOJPL was incorporated on June 23, 2008, under the Companies Act, 1956, as a private limited company. The CIN of SOJPL is U13100WB2008PTC126792.

Nature of activities

SOJPL is authorized to engage in the business of, *inter alia*, mining and allied activities anywhere in the country or outside and to purchase, sale, manufacture, process, import, export, buyers, sellers, traders, merchants, distribution, deal in, to act as indent or agent, commission agent, distributors, wholesellers, retailers, broker, contractor, or otherwise deal with raw and process materials, semi products and end products of coal, coal mining, etc. and trading of minerals.

14. ***S.S. Natural Resources Private Limited ("SSNRPL")***

Corporate information

SSNRPL was incorporated on January 14, 2015 under the Companies Act, 1956 as a private limited company. The CIN of SSNRPL is U10300WB2015PTC204962.

Nature of activities

SSNRPL is authorized to engage in the business of, *inter alia*, mining and allied activities anywhere in the country or outside and to purchase, sale, manufacture, process, import, export, buyers, sellers, traders, merchants, distribution, deal in, to act as indent or agent, commission agent, distributors, wholesellers, retailers, broker, contractor, or otherwise deal with raw and process materials, semi products and end products of coal, coal mining, washing and beneficiation of coal, coal carbonization, conversion of coal to coke, coal to oil, coal to gas, coal to thermal power and to transport the same by conveyer belts, road, rails pipelines and overhead transmission lines either independently or in association with others and to purchase, take on lease, hire or otherwise acquire, whether in India or abroad, and either singly or jointly any mines, quarries, easements, lands and hereditaments or other property incidental for the aforesaid, ground , mining and other rights, grants, patents, permissions, concessions and to prospects, explore, examine, work, raise, bring to surface, extract, pump, drill, operate, exercise, develop, quarry, assay, refine, distill, amalgamate, manipulate, wash, process, beneficiate, blend, reduce, crush, cut, size, prepare for market and generally to on all kinds of business of mining, exploration, drilling, manufacturing, producing, processing, refining, liquefaction, re-gasification, compression, beneficiation, washery, crusher, distributing, trading, importing, exporting, storing and transporting of all kinds of elements including all types of coal, lignite, coke and all other material of every kind needed for or resulting from the mining, manufacturing, production or processing of coal, coke and other by products of every kind, hydrocarbon products of substances; fossil fuel and/or all sorts of major and minor minerals, metal & mineral substances of all kinds, equipments, machineries, ancilliaries, spares, stores or any other item essential to undertake such activities/services successfully; conversion of coal to coke/coal to oil to gas/coal to thermal power; to undertake contract for seismic activities or surveys, research, data collection and interpretation and all other technical, non technical or specialized services in the aforesaid field and to install, operate and manage all necessary plants, mines establishments and works.

15. ***Subhlabh Commercials Private Limited ("SCPL")***

Corporate information

SCPL was incorporated on February 1, 1996 under the Companies Act, 1956 as a private limited company. The CIN of SCPL is U51909WB1996PTC076966.

Nature of activities

SCPL is authorized to *inter alia* carry on business as distributors, agents, traders, merchants, contractors, brokers and otherwise deal in merchandise and articles of all kinds including as clearing agents, freight contractors, forwarding agents, licensing agents, general brokers and to carry on any kind of commercial business.

16. ***Suhag Overseas Trading Private Limited ("SOTPL")***

Corporate information

SOTPL was incorporated on April 25, 1995 under the Companies Act, 1956 as a private limited company. The CIN of SOTPL is U51900WB1995PTC131121.

Nature of activities

SOPL is authorized to *inter alia* carry on the business as buyers, sellers, packers, importers, exporters, indentors, assemblers, stockists, distributors, traders, and dealers in all kinds of cereals, pulses, foodgrains, edible non-edible oils, ghee, vanaspathi, milk foods and powder, spices, jams, jellies, syrups, pickles, vegetables and other varieties of processed and natural food products and substances, household provisions, articles, industrial products, industrial components, electronic parts and devices, forest products, raw materials, metals industrial and other wastes bye products, industrial and other gases, alcohol, wines and beverages, hardware and stores, plant and machinery, stores, spare parts commodities and merchandise, all kinds of dress materials, ready-made garments, apparels, furnishing materials, outfits, neckties, and fashion wears made out of any type of material including fur, leather textiles as cotton, silk, hemp, jute, art silk viscose staple fibre, nylon tereylene, terence, polyster or any fibre natural or man-made whether used or made today other consumer goods such as jams, jewellery, cutlery, crockery, drugs and chemical cosmetics and health care products and consumer durable products such as kitchen and home appliances.

17. ***Swarnrekha Abasan Private Limited ("SAPL")***

Corporate information

SAPL was incorporated on June 9, 2008 under the Companies Act, 1956 as a private limited company as "Swarnrekha Energy & Steel Private Limited". Consequent to change of name to "Swarnrekha Abasan Private Limited", a fresh certificate of incorporation was issued dated August 16, 2012. The CIN of SAPL is U70200WB2008PTC126432.

Nature of activities

SAPL is authorized to engage, in India or elsewhere, in the business of, *inter alia*, acquiring, purchasing, preparing, exchanging, hiring, buying, selling, leasing, constructing, modeling, remodeling, altering, or otherwise dealing in lands, buildings, real estate, properties, furniture fittings, machines, etc., letting out on lease, hire, rent, maintaining, providing amentities and services in and at commercial and industrial complexes, residential complexes, and all other kinds of moveable and immoveable properties and completing all sorts of projects relating to civil, mechanical electronics and telecommunication engineering, etc., and arranging both private and/or government sector participations for development of infrastructure projects, and carrying on the business of an estate, construction and land agent.

C. Nature and Extent of Interest of our Group Companies

(a) ***In the promotion of our Company***

Our Group Companies do not have any interest in the promotion of our Company.

(b) ***Related Business Transactions within our Group Companies and significance on the financial performance of our Company***

Except as disclosed in the section entitled "*Restated Financial Statements – Annexure V – Note 48B – Related party disclosure*" on page 272, our Group Companies do not have any business interest in our Company.

(c) ***In the properties acquired by our Company in the past three years before filing the Draft Red Herring Prospectus with SEBI or proposed to be acquired***

Our Group Companies are not interested in the properties acquired by our Company in the three years preceding the filing of the Draft Red Herring Prospectus or proposed to be acquired by our Company.

(d) ***In transactions for acquisition of land, construction of building and supply of machinery***

Our Group Companies are not interested in any transactions for the acquisition of land, construction of building or supply of machinery.

D. Common Pursuits amongst the Group Companies and our Company

Our Company, SPSPL and SFAL operate in the metal manufacturing and processing segment. Except for SFAL and SPSPL, there are no common pursuits between our Group Companies and our Company. For further details, please see the section entitled "*Risk Factors*" on page 21.

E. Business Interest of our Group Companies

Except for certain business relationships that our Company has entered into with our Group Companies in their ordinary course of business, our Group Companies do not have any business interest in our Company. For details, please see the section entitled "*Restated Financial Statements – Annexure V – Note 48B – Related party disclosure*" on page 272.

F. Defunct Group Companies

Our Group Companies are not and have never been defunct and no application has been made to the concerned registrar of companies for striking off the name of our Group Companies during the five years preceding the date of filing of the Draft Red Herring Prospectus with SEBI.

G. Sick companies /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 winding up. Further, there are no pending insolvency proceedings in respect of any Group Company.

H. Loss making Group Companies

Some of our Group Companies have made losses in Financial Years 2020, 2019 and 2018. For details, please see "*Risk Factors - Certain of our Group Companies have incurred losses in the past, which may have an adverse effect on our reputation and business.*" on page 40.

I. Litigation

Except as disclosed in the section entitled "*Outstanding Litigation and other Material Developments*" on page 321, our Group Companies are not party to any pending litigation which has a material impact on our Company.

J. Confirmations

The securities of our Group Companies are not listed on any stock exchange and our Group Companies have not made any public or rights issue of securities (as defined under the SEBI ICDR Regulations) in the preceding three years.

None of our Group Companies have failed to meet the listing requirements or have failed to list on any recognised stock exchange in India or abroad.

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 the Companies Act. Our Board approved the formal dividend policy of the Company, at the Board meeting held on May 15, 2018, which includes parameters to be considered by the Board for declaration of dividend, with an objective of rewarding the shareholders of the Company.

The dividend, if any, will depend on a number of factors, including but not limited, consolidated net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes including dividend distribution tax payable by our Company. For details in relation to the risks involved in this regard, please see "*Risk Factors - Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements*" on page 42.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details, please see the section entitled "*Financial Indebtedness*" on page 318.

The Company has not declared and paid any dividends on the Equity Shares in any of the three Financial Years preceding the filing of this Draft Red Herring Prospectus and until the filing of this Draft Red Herring Prospectus.

SECTION VII: FINANCIAL INFORMATION

OTHER FINANCIAL INFORMATION

The audited standalone financial statements of our Company and our Material Subsidiary as at and for the year ended March 31, 2020, March 31, 2019 and March 31, 2018 (collectively, the "**Audited Financial Statements**") are available at https://www.shyammetalics.com/about-us/financials/. 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, 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 or the Selling Shareholders, 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.

For details of accounting ratios, please see the section entitled "*Restated Financial Statements – Annexure VIII - Restated Consolidated Statement of Accounting Ratio*" on page 282.

RESTATED FINANCIAL STATEMENTS

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S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP
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Independent Auditors' Examination Report on the Restated Consolidated Ind AS Summary Statements of Assets and Liabilities as at December 31, 2020, December 31, 2019, March 31, 2020, March 31, 2019 and March 31, 2018 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 nine months period ended December 31, 2020 and December 31, 2019 and for each of the years ended March 31, 2020, March 31, 2019 and March 31, 2018, of Shyam Metalics and Energy Limited (collectively, the "Restated Financial Statements").

To,
The Board of Directors,
Shyam Metalics and Energy Limited
Trinity Tower, 7th Floor, 83, Topsia Road,
Kolkata – 700046, West Bengal, India

Dear Sirs / Madams:

1. We S K Agrawal and Co Chartered Accountants LLP, Chartered Accountant (“We” or “us” or SKA) have examined the attached Restated Financial Statements of Shyam Metalics and Energy Limited (the “Company”) and its subsidiaries, associates and joint ventures (the Company and its subsidiaries, associates and joint ventures together referred to as “the Group”) as at and for the nine months ended December 31, 2020 and December 31, 2019 and as at and for each of the years ended March 31, 2020, March 31, 2019 and March 31, 2018 annexed to this report and prepared by the Company for the purpose of inclusion in the (i) Draft Red Herring Prospectus (“DRHP”) 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, West Bengal at Kolkata (“Registrar of Companies”); and (iii) prospectus proposed to be filed with SEBI, the Stock Exchanges and the Registrar of Companies (collectively referred to as "Offer Documents") prepared by the Company in connection with its proposed Initial Public Offer of equity shares (“IPO”) through a fresh issuance of equity shares of face value of Rs. 10 each of the Company and offer for sale by the certain selling shareholders of the Company (collectively, the “Offering”). The Restated Financial Statements, which have been approved by the Board of Directors of the Company at their meeting held on February 23, 2021, have been prepared in accordance with the requirements of:

   a) sub- section (1) of Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act");

   b) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

   c) the Guidance note on Reports in Company Prospectuses (Revised 2019) (as amended) issue by the Institute of Chartered Accountants of India (“ICAI”), (the “Guidance Note”).

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Management's Responsibility for the Restated Financial Statements

2. The preparation of the Restated Financial Statements, which are to be included in the Offer Documents is the responsibility of the Management of the Company. The respective Board of Directors of the companies included in the Group are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The respective Board of Directors of the companies are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.

Auditors' Responsibilities

3. 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 January 18, 2021, requesting us to carry out the assignment, in connection with the Offering
   b) the Guidance Note also requires that we comply with ethical requirements of the Code of Ethics Issued by the ICAI.
   c) concepts of test checks and materiality to obtain reasonable assurance based on the verification of evidence supporting the Restated Financial Statements: and
   d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the ICDR Regulations in connection with the Offering.

Restated Financial Statements as per audited Financial Statements

4. These Restated Financial Statements have been compiled by the management of the company from:

   a) Audited Special Purpose Interim Consolidated Ind AS Financial Statements of the Group as at and for the nine months period ended December 31, 2020 and December 31, 2019 prepared in accordance with the Indian Accounting Standard 34 (Ind AS) 34 "Interim Financial Reporting", specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on February 23, 2021

   b) Audited Consolidated Ind AS Financial Statements of the Company as at and for year ended March 31, 2020, March 31, 2019 & March 31, 2018 prepared in accordance with Indian Accounting Standard (referred to as “Ind AS”) as specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on September 28, 2020, June 11, 2019 and May 15, 2018 respectively.

5. For the purpose of our examination, we have relied on auditors’ reports issued by us, dated February 23, 2021, September 28, 2020, June 11, 2019 and May 15, 2018 on the consolidated financial statements of the Company for and as at the nine months period ended December 31, 2020 and December 31, 2019 and as at and for each the years ended March 31, 2020, March 31, 2019 and March 31, 2018 respectively, as referred in paragraph 4 above.

6. We did not audit the financial statements of certain subsidiaries, whose share of total assets, total revenues, net cash inflows / (outflows) included in the Restated Financial Statements, for the relevant periods/year is tabulated below:

(₹ *in Million*)

Period/Year Ended	Number of subsidiaries	Total assets	Total revenues	Net Cash Inflows / (Outflows)
31st December 2020	11	388.29	13.21	(32.34)
31st December 2019	12	4,816.02	16.94	46.75
31st March 2020	12	28,883.43	24,021.05	358.65
31st March 2019	9	22,918.07	25,278.72	70.90
31st March 2018	11	19,381.17	21,271.11	(125.61)

We did not audit the financial statements of certain associates and joint ventures, whose share of profit/loss included in the Restated Financial Statements, for the relevant periods/years is tabulated below:

(₹ *in Million*)

Period/Year Ended	Number of associates/joint ventures	Share of Profit/ (Loss)
31st December 2020	3	0.07
31st December 2019	3	(0.09)
31st March 2020	3	0.05
31st March 2019	5	0.32
31st March 2018	4	24.46

These financial statements, prepared in accordance with accounting principles generally accepted in India, have been audited by other auditors, under generally accepted auditing standards applicable in India and whose audit reports have been furnished to us. Our opinion in so far as it relates to the amounts included in these Restated Financial Statements are based solely on the audit reports of the other auditors.

7. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Statements:

a) have been prepared after incorporating adjustments for the change in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial years ended 31 March 2020, 31 March 2019 and 31 March 2018 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the nine months period ended 30 December 2020;

b) does not contain any qualifications requiring adjustments. However, our reports dated February 23, 2021 and September 28, 2020 for nine months period ended December 31, 2020 and for the year ended March 31, 2020 respectively, includes an emphasis of matter on impact of COVID 19 on operations of the Group.

c) have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.

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Website: www.skagrawal.co.in

8. We have not audited any financial statements of the Company as of any date or for any period subsequent to December 31, 2020. 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 December 31, 2020. The Restated Financial Statements does not reflect the effects of events that occurred subsequent to the respective dates of the reports on any of the financial statements mentioned in paragraph 4 above.

9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with SEBI, Stock Exchanges and ROC in connection with the Offering. Our report should not be used, referred to, or distributed for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For S K Agrawal and Co Chartered Accountants LLP,
Chartered Accountants
ICAI Firm Registration No: 306033E / E300272

Vivek Agarwal
Partner
Membership number: 301571
UDIN: 21301571AAAACW2179
Place: Kolkata
Date: 23rd February,2021

Shyam Metalics and Energy Limited
CIN: U40101WB2002PLC095491
(All amount in Indian Rupees Million, unless otherwise stated)
Annexure I
Restated Consolidated Ind AS Summary Statement of Assets and Liabilities

Particulars	Note no. of Annexure V	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Assets						
Non-Current Assets						
a) Property, Plant and Equipment	2	18,378.52	19,854.71	19,685.07	17,297.84	17,230.28
b) Right-of-use assets	2A	419.64	429.91	427.23	434.73	233.79
c) Capital work-in-progress	3	3,509.54	2,064.97	2,354.49	3,576.99	906.27
d) Intangible assets	4	6.26	7.31	7.88	8.36	4.47
e) Intangible Assets under Development	4A	-	-	-	-	7.48
f) Financial Assets						
i) Investments	5	703.10	736.10	724.30	684.22	622.13
ii) Other Financial assets	6	448.21	325.12	407.67	74.96	38.32
h) Other non-current assets	7	3,777.80	1,821.93	2,292.45	579.79	714.85
i) Deferred Tax Assets (Net)	22	678.56	124.47	290.12	-	-
		27,921.63	**25,364.52**	**26,189.21**	**22,656.89**	**19,757.59**
Current Assets						
a) Inventories	8	11,499.78	11,312.99	14,867.11	7,321.33	5,584.93
b) Financial assets						
i) Investments	9	976.36	715.77	715.54	2,054.31	1,331.75
ii) Trade receivables	10	2,436.86	2,969.44	2,590.18	2,129.06	3,687.15
iii) Cash and Cash equivalents	11	153.58	218.60	296.96	98.95	81.25
iv) Other Bank balances	12	1,628.00	456.97	915.35	879.46	451.69
v) Loans	13	157.87	221.71	41.83	474.06	60.24
vi) Other financial asset	14	742.34	718.53	661.53	686.23	810.38
c) Current Tax Assets (Net)	15	-	34.68	48.09	42.41	-
d) Other current assets	16	5,535.05	7,658.98	5,712.08	4,181.64	2,941.30
		23,129.84	**24,307.67**	**25,848.67**	**17,867.45**	**14,948.69**
Total Assets		**51,051.47**	**49,672.19**	**52,037.88**	**40,524.34**	**34,706.28**
Equity and Liabilities						
Equity						
a) Equity Share Capital	17	2,336.10	2,336.10	2,336.10	2,336.10	467.22
b) Other Equity	18	30,516.66	25,130.45	25,923.65	22,560.50	18,072.67
Total Equity		**32,852.76**	**27,466.55**	**28,259.75**	**24,896.60**	**18,539.89**
Non Controlling Interest		**41.49**	**42.22**	**41.51**	**44.34**	**2,095.41**
Non-Current Liabilities						
a) Financial liabilities						
i) Borrowings	19	1,826.23	3,547.76	3,513.12	2,132.78	2,017.24
ii) Others financial liabilities	20	200.37	164.36	198.81	423.21	93.69
b) Provisions	21	97.77	97.99	271.83	59.74	57.82
c) Deferred tax liabilities (Net)	22	-	-	-	726.90	1,101.03
d) Other non-current liabilities	23	2,099.18	2,459.21	2,626.94	1,861.62	751.81
e) Lease Liabilities	24	56.71	61.08	59.49	61.40	33.23
		4,280.26	**6,330.40**	**6,670.19**	**5,265.65**	**4,054.82**
Current Liabilities						
a) Financial liabilities						
i) Borrowings	25	6,823.04	6,177.87	9,211.28	4,427.68	2,786.55
ii) Lease Liabilities	24	4.71	4.64	4.86	3.85	0.97
iii) Trade Payables						
Outstanding due to Micro, Small and Medium Enterprises	26	5.22	26.04	33.49	-	-
Outstanding due to Creditors other than Micro, Small and Medium Enterprises	26	3,532.88	5,280.40	4,990.36	3,106.10	4,471.18
iv) Other financial liabilities	27	771.19	1,524.53	1,545.44	1,010.48	1,075.54
b) Other current liabilities	28	2,220.32	2,646.91	1,275.42	1,764.74	1,352.80
c) Provisions	29	275.04	172.63	5.58	4.90	4.34
d) Current Tax Liabilities (Net)	30	244.56	-	-	-	324.78
		13,876.96	**15,833.02**	**17,066.43**	**10,317.75**	**10,016.16**
Total Equity and Liabilities		**51,051.47**	**49,672.19**	**52,037.88**	**40,524.34**	**34,706.28**

The above Statement should be read with the Annexure V - Significant accounting policies and explanatory notes to Restated Consolidated Ind AS Summary Statements, Annexure VI - Material Adjustments to Restated Consolidated Ind AS Summary Statements and Annexure VII - Statement of Equity Reconciliation to Restated Consolidated Ind AS Summary Statements.

As per our report of even date attached.
For S K Agrawal and Co Chartered Accountants LLP
Chartered Accountants
Firm Registration Number: 306033E / E300272

For and on behalf of the Board of Directors

Brij Bhushan Agarwal
Managing Director
DIN 01125056

Deepak Kumar Agarwal
Wholetime Director
DIN 00560010

Vivek Agarwal
Partner
Membership No: 301571
Place: Kolkata
Date : 23rd February 2021

Shree Kumar Dujari
Chief Financial Officer

Birendra Kumar Jain
Company Secretary
A8305

Shyam Metalics and Energy Limited
CIN: U40101WB2002PLC095491
(All amount in Indian Rupees Million, unless otherwise stated)
Annexure II
Restated Consolidated Ind AS Summary Statement of Profit and Loss

	Particulars	Notes No. of Annexure V	For the period ended 31st December 2020	For the period ended 31st December 2019	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
	INCOME						
I	Revenue from operations	31	39,330.84	32,830.94	43,628.86	46,063.95	38,425.66
II	Other Income	32	625.48	333.54	324.16	781.65	778.33
III	**Total Income(I+II)**		**39,956.32**	**33,164.48**	**43,953.02**	**46,845.60**	**39,203.99**
IV	**EXPENSES**						
	Cost of material consumed	33	24,373.60	21,220.50	27,182.24	27,827.72	22,967.91
	Purchase of stock-in-trade		45.72	336.43	632.51	286.17	1,282.82
	Excise Duty		-	-	-	-	954.05
	Change in inventories of finished goods, stock in trade and work -in-progress	34	134.09	(764.38)	(1,034.89)	(251.20)	(543.66)
	Employee benefits expense	35	1,247.35	1,229.53	1,683.55	1,450.25	1,064.46
	Finance costs	36	558.44	608.66	858.84	644.34	488.58
	Depreciation and amortisation expense	37	2,199.70	2,035.31	2,966.49	1,945.76	2,150.47
	Other expenses	38	6,336.32	6,282.79	8,709.89	7,303.91	5,689.96
	Total Expense(IV)		**34,895.22**	**30,948.84**	**40,998.63**	**39,206.95**	**34,054.59**
V	**Profit/(loss) before Share in Profit/(Loss) of Associate and Joint Venture and tax (III-IV)**		**5,061.10**	**2,215.64**	**2,954.39**	**7,638.65**	**5,149.40**
VI	Share in Profit/(Loss) of Associate and Joint Venture		1.51	5.34	0.24	0.32	24.46
VII	Profit/(Loss) before tax (V+VI)		**5,062.61**	**2,220.98**	**2,954.63**	**7,638.97**	**5,173.86**
VIII	Tax expense:	39					
	(i) Current tax		917.43	466.75	574.48	1,663.07	1,395.08
	(ii) Deferred tax		(418.03)	(849.38)	(1,023.14)	(391.93)	(1,501.61)
IX	**Profit/(loss) for the period (VII-VIII)**		**4,563.21**	**2,603.61**	**3,403.29**	**6,367.83**	**5,280.39**
	Profit for the Year (IX)		**4,563.21**	**2,603.61**	**3,403.29**	**6,367.83**	**5,280.39**
	Profit / Loss attributable to Non Controlling Interest		(0.02)	(2.12)	(0.12)	326.58	1,036.73
	Profit / Loss attributable to owners of the Parent		**4,563.23**	**2,605.73**	**3,403.41**	**6,041.25**	**4,243.66**
X	**Other comprehensive income**						
	(i) Items that will not be reclassified to profit and loss						
	- Remeasurement of Defined Benefit Plan		1.39	(27.24)	(6.48)	1.62	4.82
	- Gains and losses from investments in equity instruments designated at fair value through other		46.46	35.41	16.31	62.75	(78.48)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(8.96)	2.19	(5.51)	(14.61)	12.06
	Other comprehensive income for the year (Net of taxes)		**38.89**	**10.36**	**4.32**	**49.76**	**(61.60)**
XI	**Total Comprehensive Income for the period (IX+X)**		**4,602.10**	**2,613.97**	**3,407.61**	**6,417.59**	**5,218.79**
	Total Comprehensive Income attributable to						
	Owners of the Parent		4,602.12	2,616.09	3,407.73	6,091.01	4,182.06
	Non Controlling Interest		(0.02)	(2.12)	(0.12)	326.58	1,036.73
XII	**Basic and Diluted Earning per Equity Share of Rs 10 each (in INR)**	40	19.53	11.15	14.57	25.86	18.17

The above Statement should be read with the Annexure V - Significant accounting policies and explanatory notes to Restated Consolidated Ind AS Summary Statements, Annexure VI - Material Adjustments to Restated Consolidated Ind AS Summary Statements and Annexure VII - Statement of Equity Reconciliation to Restated Consolidated Ind AS Summary Statements.

As per our report of even date attached.

For S K Agrawal and Co Chartered Accountants LLP
Chartered Accountants
Firm Registration Number: 306033E / E300272

For and on behalf of the Board of Directors

Brij Bhushan Agarwal
Managing Director
DIN 01125056

Deepak Kumar Agarwal
Wholetime Director
DIN 00560010

Vivek Agarwal
Partner
Membership No: 301571
Place: Kolkata
Date : 23rd February 2021

Shree Kumar Dujari
Chief Financial Officer

Birendra Kumar Jain
Company Secretary
A8305

Shyam Metalics and Energy Limited
CIN: U40101WB2002PLC095491
(All amount in Indian Rupees Million, unless otherwise stated)
Annexure III
Restated Consolidated Ind AS Summary Statements of Cash Flows

Particulars	For the period ended 31st December 2020	For the period ended 31st December 2019	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
A. Cash flow from operating activities:					
Net Profit Before Tax	5,062.61	2,220.98	2,954.63	7,638.97	5,173.86
Non Cash Adjustment for Non cash Non operating items					
Depreciation	2,199.70	2,035.31	2,966.49	1,945.76	2,150.47
Irrecoverable Debts, Claims and Advances Written Off	-	-	-	67.81	83.22
Provision for Gratuity	55.69	66.09	84.37	49.51	66.23
Dividend Received	(0.74)	(6.35)	(6.63)	(205.58)	(24.60)
Provision written back as per expected credit loss model	-	11.73	25.23	(36.55)	(47.40)
Unspent Liabilities written back and Unclaimed Balances adjusted	(111.29)	(45.85)	(46.37)	-	-
Loss on sale of fixed assets	-	1.08	-	-	125.45
Unrealised Foreign Exchange Fluctuations	(158.39)	(29.27)	-	-	(244.72)
Gain on derivative contracts (including provision for mark-to-market losses)	(55.37)	-	-	-	-
Profit on Sale of Investments	(66.86)	(64.72)	(28.95)	(96.59)	(97.80)
(Profit)/Loss on sales of Property, Plant and Equipment	-	-	(2.63)	(0.49)	-
Interest Income	(60.46)	(50.01)	(60.01)	(123.33)	(50.66)
Interest & Finance charges	558.44	608.66	858.84	644.34	488.58
Operating Profit Before Working Capital Changes	**7,423.33**	**4,747.65**	**6,744.97**	**9,883.85**	**7,622.63**
Adjustments for movement in:					
Increase/(Decrease) in Trade and other payables	(1,374.45)	2,246.15	(236.22)	(1,365.10)	2,232.97
Decrease / (Increase) in Trade Receivable	153.32	(852.11)	354.03	1,526.83	(996.92)
Decrease / (Increase) in Inventories	3,367.33	(3,991.66)	(3,554.12)	(1,736.40)	(1,665.05)
Decrease / (Increase) in other assets	(2,401.45)	(2,767.40)	(1,912.11)	(2,063.62)	(3,582.80)
Cash flow from operating activities before taxes	**7,168.08**	**(617.37)**	**1,396.55**	**6,245.56**	**3,610.83**
Direct Taxes Paid (net)	(600.00)	(430.00)	(545.00)	(1,680.00)	(1,141.34)
Net cash flow from operating activities (A)	**6,568.08**	**(1,047.37)**	**851.55**	**4,565.56**	**2,469.49**
B. Cash flow from investing activities:					
Purchase of Property Plant & Equipment (Net)	(2,038.99)	(3,075.36)	(3,081.64)	(4,880.91)	(1,027.58)
(Increase)/ Decrease in Investment (Net)	(172.76)	1,351.39	40.98	(688.06)	(743.63)
Dividend Received	0.74	6.35	6.63	205.58	24.60
Loans Refunded/ (Given)	(116.04)	252.35	179.88	(413.82)	272.63
Interest Received	15.93	37.71	80.16	107.59	53.45
Net cash from investing activities (B)	**(2,311.12)**	**(1,427.56)**	**(2,773.99)**	**(5,669.62)**	**(1,420.53)**
C. Cash flow from financing activities:					
Repayments/Proceeds from Borrowing (Net) & Current Maturities	(4,019.77)	3,165.16	2,998.78	1,756.67	(1,129.16)
Interest paid	(538.96)	(599.85)	(878.33)	(634.91)	(492.53)
Net cash from financing activities (C)	**(4,558.73)**	**2,565.31**	**2,120.45**	**1,121.76**	**(1,621.69)**
Effect of Foreign Exchange Fluctuation (D)	**158.39**	**29.27**	**-**	**-**	**244.72**
Net Changes in Cash & Cash Equivalents (A+B+C+D)	**(143.38)**	**119.65**	**198.01**	**17.70**	**(328.01)**
Cash and cash equivalents at the beginning of the year	**296.96**	**98.95**	**98.95**	**81.25**	**409.26**
Closing Cash & Cash Equivalents	**153.58**	**218.60**	**296.96**	**98.95**	**81.25**

Notes to the cash flow statement

1. The above statement of cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 "Statement of Cash Flow".
2. Cash and cash equivalent comprises of:

Particulars	For the period ended 31st December 2020	For the period ended 31st December 2019	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
Balance with banks - in current account	136.13	212.35	288.16	94.28	75.96
Cheques/ DD on Hand	12.08	-	1.35	-	-
Cash on hand	5.37	6.25	7.45	4.67	5.29
Total	**153.58**	**218.60**	**296.96**	**98.95**	**81.25**

The above Statement should be read with the Annexure V - Significant accounting policies and explanatory notes to Restated Consolidated Ind AS Summary Statements, Annexure VI - Material Adjustments to Restated Consolidated Ind AS Summary Statements and Annexure VII - Statement of Equity Reconciliation to Restated Consolidated Ind AS Summary Statements.

As per our report of even date attached.
For S K Agrawal and Co Chartered Accountants LLP
Chartered Accountants
Firm Registration Number: 306033E / E300272

For and on behalf of the Board of Directors

Brij Bhushan Agarwal
Managing Director
DIN 01125056

Deepak Kumar Agarwal
Wholetime Director
DIN 00560010

Vivek Agarwal
Partner
Membership No: 301571
Place: Kolkata
Date : 23rd February 2021

Shree Kumar Dujari
Chief Financial Officer

Birendra Kumar Jain
Company Secretary
A8305

Shyam Metalics and Energy Limited
CIN: U40101WB2002PLC095491
(All amount in Indian Rupees Million, unless otherwise stated)
Annexure IV
Restated Consolidated Ind AS Summary Statement of Changes in Equity
A. Total Equity

Particulars	Equity Share		Reserves and Surplus				Share Application pending allotment	FVTOCI Equity Instruments	Remeasurement of the net defined benefit plans	Total Attributable to Owners of the Company	Attributable to Non Controlling Interest	Total Other Equity
	(No. of shares)	Amount	Securities Premium	Retained Earnings	Capital Reserves	Other Reserves						
Balance at 1st April 2017	**4,67,22,020**	**467.22**	**3,650.35**	**6,374.34**	**3,210.75**	**11.00**	**-**	**182.69**	**(5.68)**	**13,423.45**	**4,141.06**	**18,031.73**
Profit / (Loss) for the year	-	-	-	4,243.66	-	-	-	-	-	4,243.66	1,036.73	5,280.39
Other Comprehensive Income	-	-	-	-	-	-	-	(45.85)	4.82	(41.03)	(20.57)	(61.60)
Adjustment in Non Controlling Interest during the year	-	-	-	-	446.59	-	-	-	-	446.59	(3,061.81)	(2,615.22)
Balance at 31st March 2018	**4,67,22,020**	**467.22**	**3,650.35**	**10,618.00**	**3,657.34**	**11.00**	**-**	**136.84**	**(0.86)**	**18,072.67**	**2,095.41**	**20,635.30**
Balance at 1st April 2018	**4,67,22,020**	**467.22**	**3,650.35**	**10,618.00**	**3,657.34**	**11.00**	**-**	**136.84**	**(0.86)**	**18,072.67**	**2,095.41**	**20,635.30**
Bonus Share allotted in the Ratio of 4:1	18,68,88,080	1,868.88	(1,868.88)	-	-	-	-	-	-	(1,868.88)		-
Profit / (Loss) for the year	-	-	-	6,041.25	-	-	-	-	-	6,041.25	-	6,041.25
Adjustment in Non Controlling Interest during the year	-	-	-	-	-	-	-	-	-	-	326.58	326.58
Acquisition of subsidiary	-	-	-	-	265.70	-	-	-	-	265.70	(2,352.63)	(2,086.93)
Disposal of Subsidiary	-	-	-	39.75	(39.75)	-	-	-	-	-	(25.02)	(25.02)
Other Comprehensive Income	-	-	-	-	-	-	-	48.14	1.62	49.76	-	49.76
Balance at 31st March 2019	**23,36,10,100**	**2,336.10**	**1,781.47**	**16,699.00**	**3,883.29**	**11.00**	**-**	**184.98**	**0.76**	**22,560.50**	**44.34**	**24,940.94**
Balance at 1st April 2019	**23,36,10,100**	**2,336.10**	**1,781.47**	**16,699.00**	**3,883.29**	**11.00**	**-**	**184.98**	**0.76**	**22,560.50**	44.34	**24,940.94**
Profit / (Loss) for the year	-	-	-	3,403.41	-	-	-	-	-	3,403.41	-	3,403.41
Income tax effect	-	-	-	-	-	-	(5.51)	-	-	(5.51)	-	(5.51)
Adjustment in Non Controlling Interest during the year	-	-	-	-	-	-	-	-	-	-	(2.83)	(2.83)
Acquisition of subsidiary	-	-	-	-	(44.58)	-	-	-	-	(44.58)	-	(44.58)
Transfer to Retained earnings	-	-	-	(1.09)	-	-	-	1.09	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	-	16.31	(6.48)	-	9.83	-	9.83
Balance at 31st March 2020	**23,36,10,100**	**2,336.10**	**1,781.47**	**20,101.32**	**3,838.71**	**11.00**	**10.80**	**179.59**	**0.76**	**25,923.65**	**41.51**	**28,301.26**
Balance at 1st April 2019	**23,36,10,100**	**2,336.10**	**1,781.47**	**16,699.00**	**3,883.29**	**11.00**	-	**184.98**	**0.76**	**22,560.50**	**44.34**	**24,940.94**
Profit / (Loss) for the year	-	-	-	2,605.73	-	-	-	-	-	2,605.73	-	2,605.73
Income tax effect	-	-	-	-	-	-	-	(8.60)	9.23	0.63	-	0.63
Adjustment in Non Controlling Interest during the year	-	-	-	-	-	-	-	-	-	-	(2.12)	(2.12)
Acquisition/Merger of subsidiary	-	-	-	-	(44.58)	-	-	-	-	(44.58)	-	(44.58)
Other Comprehensive Income	-	-	-	-	-	-	-	35.41	(27.24)	8.17	-	8.17
Balance at 31st December 2019	**23,36,10,100**	**2,336.10**	**1,781.47**	**19,304.73**	**3,838.71**	**11.00**	**-**	**211.79**	**(17.25)**	**25,130.45**	**42.22**	**27,508.77**
Balance at 1st April 2020	**23,36,10,100**	**2,336.10**	**1,781.47**	**20,101.32**	**3,838.71**	**11.00**	**10.80**	**179.59**	**0.76**	**25,923.65**	**41.51**	**28,301.26**
Profit / (Loss) for the year	-	-	-	4,563.23	-	-	-	-	-	4,563.23	-	4,563.23
Adjustment in Non Controlling Interest during the year	-	-	-	-	-	-	-	-	-	-	(0.02)	(0.02)
Income tax effect	-	-	-	-	-	-	-	(8.96)	(0.31)	(9.27)	-	(9.27)
Disposal of Subsidiary	-	-	-	0.12	-	-	-	-	-	0.12	-	0.12
Transferred to Demerged Division	-	-	-	(8.92)	-	-	-	-	-	(8.92)	-	(8.92)
Other Comprehensive Income	-	-	-	-	-	-	-	46.46	1.39	47.85	-	47.85
Balance at 31st December 2020	**23,36,10,100**	**2,336.10**	**1,781.47**	**24,655.75**	**3,838.71**	**11.00**	**10.80**	**217.09**	**1.84**	**30,516.66**	**41.49**	**32,894.25**

The above Statement should be read with the Annexure V - Significant accounting policies and explanatory notes to Restated Consolidated Ind AS Summary Statements, Annexure VI - Material Adjustments to Restated Consolidated Ind AS Summary Statements and Annexure VII - Statement of Equity Reconciliation to Restated Consolidated Ind AS Summary Statements.

As per our report of even date attached.
For S K Agrawal and Co Chartered Accountants LLP
Chartered Accountants
Firm Registration Number: 306033E / E300272

Vivek Agarwal
Partner
Membership No: 301571
Place: Kolkata
Date : 23rd February 2021

For and on behalf of the Board of Directors

Brij Bhushan Agarwal
Managing Director
DIN 01125056

Deepak Kumar Agarwal
Wholetime Director
DIN 00560010

Shree Kumar Dujari
Chief Financial Officer

Birendra Kumar Jain
Company Secretary
A8305

Shyam Metalics and Energy Limited
Significant accounting policies and explanatory notes to Restated Consolidate Ind AS Summary Statements

Annexure V

1. Corporate Information

Shyam Metalics and Energy Limited (‘the Company’’) is a public limited Group incorporated in India in 2002 under the Companies Act, 1956. The registered office of the Group is at Trinity Tower, 83 Topsia Road, 7th Floor, Kolkata – 700 046.

The Company and its subsidiaries (collectively referred to as ‘the Group’) have a presence across the entire value chain of manufacture and sale of ferro alloys, iron & steel products and power generation.

The Restated Consolidated Ind AS Summary Statements for the nine months ended December 31, 2020 and December 31, 2019 and year ended March 31, 2020, March 31, 2019 and March 31, 2018 present the financial position of the Group as well as its interests in associate companies and joint arrangements.

The Group’s Restated Consolidated Ind AS Summary Statements for the nine months ended December 31, 2020 and December 31, 2019 and year ended March 31, 2020, March 31, 2019 and March 31, 2018 were approved for issue in accordance with a resolution of the directors on February 23, 2021.

Purpose of the Restated Consolidated Ind AS Summary Statements

The Restated Consolidated Ind AS Summary Statements of the Group comprising of Restated Consolidated Ind AS Summary Statement of Assets and Liabilities as at December 31, 2020, December 31, 2019, March 31, 2020, March 31, 2019, March 31, 2018, the related Restated Consolidated Ind AS Summary Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Ind AS Summary Statement of Cash Flows and the Restated Consolidated Ind AS Summary Statement of Changes in Equity for the nine months ended December 31, 2020 and December 31, 2019 and years ended March 31, 2020, March 31, 2019 and March 31, 2018 and the Significant Accounting Policies and explanatory notes (collectively, the ‘Restated Consolidated Ind AS Summary Statements’ or ‘Statements’).

These Statements have been prepared by the Management for the purpose of preparation of the Restated Consolidated Financial Statements as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, issued by the Securities and Exchange Board of India ('SEBI') on 11 September 2018, in pursuance of the Securities and Exchange Board of India Act, 1992 ("ICDR Regulations") for the purpose of inclusion in the Draft Red Herring Prospectus (‘DRHP’) in connection with its proposed initial public offering of equity shares of the Group comprising a fresh issue of equity shares and an offer for sale of equity shares held by the selling shareholders (the “Offer”), prepared by the Group in terms of the requirements of:

(a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

(b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time; and

(c) The Guidance Note on Reports in Group Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

This Restated Consolidated Ind AS Summary Statement is therefore may not be suitable for any purpose other than stated above

2. Significant Accounting Policies

The significant accounting policies applied by the Group in the preparation of its Restated Consolidated Ind AS Summary Statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these Financial Statements.

a. Statement of compliance

The Restated Consolidated Ind AS Summary Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

b. Basis of preparation

The Restated Consolidated Ind AS Summary Statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

The Restated Consolidated Ind AS Summary Statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest millions, except otherwise stated.

These Restated Consolidated Ind AS Summary statements and other financial information have been prepared after incorporating adjustments for the material amounts in the respective years to which they relate.

c. Basis of consolidation

The Restated Consolidated Ind AS Summary Statements incorporate the financial statements of the Group and entities controlled by the Group i.e. its subsidiaries. It also includes the Group's share of profits, net assets and retained post acquisition reserves of associates that are consolidated using the equity method of consolidation.

Control is achieved when the Group is exposed to or has rights to the variable returns of the entity and the ability to affect those returns through its power over the entity.

The results of subsidiaries and associates acquired or disposed off during the year are included in the Restated Consolidated Ind AS Summary Statement of Profit and Loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Wherever necessary, adjustments are made to the financial statements of subsidiaries and associates to bring their accounting policies in line with those used by other members of the Group.

Intra-group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Group's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying value of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interests having a deficit balance.

d. **Goodwill**

Goodwill arising on the acquisition of a subsidiary represents the excess of the consideration transferred in the business combination over the Group's interest in the net fair value of the identifiable assets acquired, liabilities assumed and contingent liabilities recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit's value may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying value of the unit, the impairment loss is allocated first to reduce the carrying value of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying value of each asset in the unit.

An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

e. Investment in associates

Associates are those enterprises in which the Group has significant influence but does not have control.

Investments in associates are accounted for using the equity method and are initially recognised at cost, from the date significant influence commences until the date that significant influence ceases.

Subsequent changes in the carrying value reflect the post-acquisition changes in the Group's share of net assets of the associate and impairment charges, if any.

When the Group's share of losses exceeds the carrying value of the associate, the carrying value is reduced to nil and recognition of further losses is discontinued, except to the extent that the Group has incurred obligations in respect of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates, unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred and where material, the results of associates are modified to confirm to the Group's accounting policies.

Clarification that measuring investment at fair value through profit or loss is an investment by investment choice:

i) An entity that is a Venture capital organisation or other qualifying entity, may elect at initial recognition on an investment by investment basis, to measure its investment in associates and joint venture at fair value through profit or loss.

ii) If an entity, that is not itself an investment entity, has an interest in an associates or joint venture that is an investment entity may, when applying the equity method, elect or retain the fair value measurement applied by that investment entity, associate or joint venture to the investment entity associate's or joint venture's interest in subsidiaries. This election is made separately for each investment entity associates or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognised; (b) the associates or joint venture becomes an investment entity; and (c) the investment entity associates or joint venture first becomes a parent.

f. Interest in joint arrangements

A joint arrangement is a contractual arrangement whereby the Group and other parties undertake an economic activity where the strategic financial and operating policy decisions relating to the activities of the joint arrangement require the unanimous consent of the parties sharing control.

Where Group entity undertakes its activities under joint arrangements directly, the Group's share of jointly controlled assets and any liabilities incurred jointly with other parties are recognized in its financial statements and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in jointly controlled assets are accounted for on the accrual basis. Income from the sale or use of the Group's share of the output of jointly controlled assets, and its share of joint arrangements expenses, are recognized when it is probable that the economic benefits associated with the transactions will flow to the Group and their amount can be measured reliably.

Annexure V

Joint arrangements that involve the establishment of a separate entity in which each venturer has an interest are referred to as joint ventures. The Group reports its interests in joint ventures using the equity method of accounting whereby an interest in joint venture is initially recorded at cost and adjusted thereafter for post-acquisition changes in the Group's share of net assets of the joint venture. The consolidated statement of profit and loss reflects the Group's share of the results of operations of the joint venture.

g. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either, in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Restated Consolidated Ind AS Summary Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

For assets and liabilities that are recognized in the Restated Consolidated Ind AS Summary Statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

Annexure V

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

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Investment in quoted and unquoted equity shares
- Financial instruments

h. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

i. Use of estimates and critical accounting judgements

In preparation of the Restated Consolidated Ind AS Summary Statements, the Group makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

j. Property, plant and equipment

Recognition and initial measurement

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Impairment
Property, plant and equipment are stated at cost, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as part of cost of the qualifying assets.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of profit and loss.

On the date of transition to Ind AS that is 01-04-2015 the Group had taken fair value for land & building and plant & equipment as its deemed cost.

De-recognition
An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference

between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

k. Intangible assets (excluding goodwill)

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Class of assets	Years
Computer software	3 to 5 years

l. Depreciation and amortisation property plant and equipment and intangible assets

Depreciation or amortisation is provided so as to write off, on a Written down value basis, the cost of property, plant and equipment and other intangible assets to their residual value. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives as per the useful life prescribed in Schedule II to the Companies Act, 2013, or, as per technical assessment, or, in the case of leased assets, over the lease period, if shorter. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use.

In case of certain classes of PPE, the Group uses different useful lives than those prescribed in Schedule II to the Act in the below mentioned assets. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management’s best estimation of obtaining economic benefits from those classes of assets.

Asset Class	**Group Policy**	**As per Sch. II**
Non Factory Building	5-60 Years	60 Years
Office Equipment	3-5 Years	5 Years
Plant & Machineries	5-40 Years	20-40 Years

Freehold land is not depreciated.

The Group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

m. Impairment of non-financial assets

At each balance sheet date, the Group reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or CGU) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

n. Financial Instruments

Financial assets and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments.

Initial Recognition:

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

Classification and Subsequent Measurement: Financial Assets

Annexure V

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following line:

• The entity's business model for managing the financial assets and

• The contractual cash flow characteristics of the financial asset.

Amortised Cost

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

• The financial asset is held within a business model whose objective is to hold financial assets 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.

Fair Value through Other Comprehensive Income

A financial asset shall be classified and measured at fair value through Other Comprehensive Income if both of the following conditions are met:

• The financial asset 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.

The Group in respect of unquoted equity investments which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Group on an instrument by instrument basis at the time of initial recognition of such equity investments.

Fair Value through Profit or Loss

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through Other Comprehensive Income.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Group has measured quoted equity instruments at fair value through profit or loss.

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at fair value through profit & loss

Financial liabilities are classified as at fair value through profit & loss when the financial liability is held for trading or are designated upon initial recognition as fair value through profit & loss:

Annexure V

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Group recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Group follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Group to track changes in credit risk. The Group calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

o. Employee benefits

Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related

service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits obligations in the balance sheet.

Defined contribution plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

Defined benefit plans

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/(asset) is treated as a net expense within employment costs. Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

p. Inventories

Raw materials are valued at cost on FIFO basis
Traded goods are valued on FIFO basis.

Work-in-progress and Finished Goods are valued at lower of Cost or Net Realizable Value on weighted average or FIFO basis, as applicable. Cost is taken as Factory cost of the products.

By products are valued at estimated Net Realizable Value and Stores and Spares on Weighted Average Basis.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

q. Provisions, Contingent liabilities and Contingent assets

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used

to determine the present value is a pre-tax rate that reflects current market assessments of time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent assets are not recognised in Restated Consolidated Ind AS Summary Statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

r. Government grants

The Group recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with and the grants will be received. Grants related to assets are treated as deferred income and are recognized as other income in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset. Grants related to income are recognized on a systematic basis over the periods necessary to match them with the related costs which they are intended to compensate and are deducted from the expense in the Statement of Profit and Loss

s. Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value. The Group must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are

disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.

t. Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is the amount of tax payable based on the taxable profit for the period as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Group operates and generates taxable income.

Deferred tax

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group.

Deferred tax assets and liabilities 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.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they are relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

u. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Group as lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a

straight-line basis over the shorter of its estimated useful life and the lease term and the lease term is as follows.

Class of assets	Years
Leasehold land	99 Years
Buildings	2 to 5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

v. Revenue

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, and goods and service tax. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group regardless of when the payment is being made.

Annexure V

Sale of goods

Revenue from sale of products is recognized when the Group transfers the control of goods to the customer as per the terms of contract. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of thetransaction price needs to be allocated. In the context of the sale of the products, separate performance obligations may arise from freight and transport services as well as from services directly related to the sale of the products. These services are generally performed at the time that the control of the products is transferred. In a few exceptional cases, the freight and transport services are performed after the control of the products has been transferred. In accordance with IND AS 115, the revenue relating to these freight and transport services is realised later than the corresponding product revenue. In determining the transaction price, the Group considers the effects of variable consideration such as discounts, volume rebates, or other contractual price reductions, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any). However, variable consideration is only included if it is highly probable that a significant reversal of revenue will not occur once the uncertainty related to the variable consideration is resolved.

In case of domestic sales, the Group believes that the control gets transferred to the customer on dispatch of the goods from the factory and in case of exports, revenue is recognised on passage of control as per the terms of contract / incoterms. Variable consideration in the form of volume rebates is recognised at the time of sale made to the customers and are offset against the amounts payable by them.

Conversion Income

Revenue from sale of service is recognised when control has been transferred to the buyer usually when the delivery of goods after due process of conversion takes place, revenue is booked when all the performance obligations are satisfied. In determining the transaction price, the Group considers the effects of variable consideration such as discounts, volume rebates, or other contractual price reductions, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any). However, variable consideration is only included if it is highly probable that a significant reversal of revenue will not occur once the uncertainty related to the variable consideration is resolved.

Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

Dividend income

Dividend income from investments is recognised when the shareholder’s rights to receive payment have been established.

w. Foreign currency transactions

Annexure V

The Restated Consolidated Ind AS Summary Statements of the group are presented in Indian rupees (₹), which is the functional currency of the Group and the presentation currency for the Financial Statements.

In preparing the Restated Consolidated Ind AS Summary Statements, transactions in currencies other than the Group's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are restated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the translation or settlement of other monetary items are included in the statement of profit and loss for the period.

x. Borrowing costs

Borrowings 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 an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs.

y. Earnings per share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

z. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

aa. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with the financial institutions, other short term, highly liquid investments with original maturities of three months or less (except the instruments which are pledged) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

bb. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within the credit period allowed. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Long term trade payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

cc. Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

dd. Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

ee. Expected Credit Loss

Loss allowance equal to the lifetime expected credit losses is recognized if the credit risk on the financial instruments has significantly increased since initial recognition.

Shyam Metalics and Energy Limited
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Notes to Restated Consolidated Ind AS Summary Statements

Note 2 - Property, Plant and Equipment

Particulars	Gross block				Accumulated depreciation				Net block
	1st April 2020	Additions	Disposals/ Adjustments	31st December 2020	1st April 2020	Additions	Disposals/ Adjustments	31st December 2020	31st December 2020
Freehold Land	2,133.12	3.28	-	2,136.40	-	-	-	-	2,136.40
Buildings	5,310.43	168.41	-	5,478.84	1,676.81	318.71	-	1,995.52	3,483.32
Plant and Equipment	23,261.00	699.21	-	23,960.21	9,389.17	1,861.38	-	11,250.55	12,709.66
Furniture and Fixture	16.25	6.44	-	22.69	10.69	1.48	-	12.17	10.52
Vehicles	50.47	3.49	-	53.96	12.50	4.24	-	16.74	37.22
Office Equipment	39.88	2.77	-	42.65	36.91	4.34	-	41.25	1.40
Total	**30,811.15**	**883.60**	**-**	**31,694.75**	**11,126.08**	**2,190.15**	**-**	**13,316.23**	**18,378.52**

Particulars	Gross block				Accumulated depreciation				Net block
	1st April 2019	Additions	Disposals/ Adjustments	31st December 2019	1st April 2019	Additions	Disposals/ Adjustments	31st December 2019	31st December 2019
Freehold Land	2,048.67	57.56	-	2,106.23	-	-	-	-	2,106.23
Buildings	4,524.17	603.64	-	5,127.81	1,288.70	278.11	-	1,566.81	3,561.00
Plant and Equipment	18,838.63	5,333.62	1,436.37	22,735.88	6,863.08	1,738.16	11.67	8,589.57	14,146.31
Furniture and Fixtures	15.45	0.80	-	16.25	8.60	1.56	-	10.16	6.09
Vehicles	38.42	3.38	3.63	38.17	7.76	2.85	3.45	7.16	31.01
Office Equipment	31.53	8.34	0.83	39.04	30.89	4.08	-	34.97	4.07
Total	**25,496.87**	**6,007.34**	**1,440.83**	**30,063.38**	**8,199.03**	**2,024.76**	**15.12**	**10,208.67**	**19,854.71**

Particulars	Gross block				Accumulated depreciation				Net block
	1st April 2019	Additions	Disposals/ Adjustments	31st March 2020	1st April 2019	Additions	Disposals/ Adjustments	31st March 2020	31st March 2020
Freehold Land	2,048.67	84.45	-	2,133.12	-	-	-	-	2,133.12
Buildings	4,524.17	786.26	-	5,310.43	1,288.70	388.11	-	1,676.81	3,633.62
Plant and Equipment	18,838.63	4,459.21	36.84	23,261.00	6,863.08	2,547.78	21.69	9,389.17	13,871.83
Furniture and Fixture	15.45	0.80	-	16.25	8.60	2.09	-	10.69	5.56
Vehicles	38.42	22.14	10.09	50.47	7.76	8.19	3.45	12.50	37.97
Office Equipment	31.53	8.35	-	39.88	30.89	6.02	-	36.91	2.97
Total	**25,496.87**	**5,361.21**	**46.93**	**30,811.15**	**8,199.03**	**2,952.19**	**25.14**	**11,126.08**	**19,685.07**

Particulars	Gross block				Accumulated depreciation				Net block
	1st April 2018	Additions	Disposals/ Adjustments	31st March 2019	1st April 2018	Additions	Disposals/ Adjustments	31st March 2019	31st March 2019
Freehold Land	1,983.41	107.18	41.92	2,048.67	-	-	-	-	2,048.67
Buildings	4,299.45	275.54	50.82	4,524.17	975.57	313.13	-	1,288.70	3,235.47
Plant and Equipment	17,131.00	1,708.06	0.43	18,838.63	5,254.09	1,608.99	-	6,863.08	11,975.55
Furniture and Fixtures	15.31	1.19	1.05	15.45	6.04	2.56	-	8.60	6.85
Vehicles	37.50	2.05	1.13	38.42	3.59	5.05	0.88	7.76	30.66
Office Equipment	27.40	4.29	0.16	31.53	24.50	6.39	-	30.89	0.64
Total	**23,494.07**	**2,098.31**	**95.51**	**25,496.87**	**6,263.79**	**1,936.12**	**0.88**	**8,199.03**	**17,297.84**

(All amount in Indian Rupees Million, unless otherwise stated)

Particulars	Gross block					Accumulated depreciation					Net block
	1st April 2017	Additions	Disposals/ Adjustments	Transfer on Account of Transition to Ind AS 116 - April 01, 2017	31st March 2018	1st April 2017	Additions	Disposals/ Adjustments	Transfer on Account of Transition to Ind AS 116 - April 01, 2017	31st March 2018	31st March 2018
Freehold Land	1,973.45	9.96	-	-	1,983.41	1.57	-	1.57	-	-	1,983.41
Leasehold Land	221.67	-	-	(221.67)	-	5.55	-	-	(5.55)	-	-
Buildings	3,785.41	528.40	14.36	-	4,299.45	665.09	335.00	24.52	-	975.57	3,323.88
Plant and Equipment	15,844.49	1,517.96	231.45	-	17,131.00	3,682.99	1,795.46	224.36	-	5,254.09	11,876.91
Furniture and Fixtures	9.96	5.81	0.46	-	15.31	4.20	2.30	0.46	-	6.04	9.27
Vehicles	14.72	30.58	7.80	-	37.50	6.79	2.13	5.33	-	3.59	33.91
Office Equipment	36.59	-	9.19	-	27.40	16.53	7.97	-	-	24.50	2.90
Total	**21,886.29**	**2,092.71**	**263.26**	**(221.67)**	**23,494.07**	**4,382.72**	**2,142.86**	**256.24**	**(5.55)**	**6,263.79**	**17,230.28**

2A. Right of Use Assets

Particulars	Gross block				Accumulated depreciation				Net block
	1st April 2020	Additions	Disposals/ Adjustments	31st December 2020	1st April 2020	Additions	Disposals/ Adjustments	31st December 2020	31st December 2020
Leasehold Land	418.98	-	-	418.98	14.39	4.50	-	18.89	400.09
Leasehold Building	35.06	0.33	-	35.39	12.42	3.42	-	15.84	19.55
Total	**454.04**	**0.33**	**-**	**454.37**	**26.81**	**7.92**	**-**	**34.73**	**419.64**

Particulars	Gross block				Accumulated depreciation				Net block
	1st April 2019	Additions	Disposals/ Adjustments	31st December 2019	1st April 2019	Additions	Disposals/ Adjustments	31st December 2019	31st December 2019
Leasehold Land	418.98	-	-	418.98	9.85	3.41	-	13.26	405.72
Leasehold Building	32.11	2.95	-	35.06	6.51	4.36	-	10.87	24.19
Total	**451.09**	**2.95**	**-**	**454.04**	**16.36**	**7.77**	**-**	**24.13**	**429.91**

Particulars	Gross block				Accumulated depreciation				Net block
	1st April 2019	Additions	Disposals/ Adjustments	31st March 2020	1st April 2019	Additions	Disposals/ Adjustments	31st March 2020	31st March 2020
Leasehold Land	418.98	-	-	418.98	9.85	4.54	-	14.39	404.59
Leasehold Building	32.11	2.95	-	35.06	6.51	5.91	-	12.42	22.64
Total	**451.09**	**2.95**	**-**	**454.04**	**16.36**	**10.45**	**-**	**26.81**	**427.23**

Particulars	Gross block				Accumulated depreciation				Net block
	1st April 2018	Additions	Disposals/ Adjustments	31st March 2019	1st April 2018	Additions	Disposals/ Adjustments	31st March 2019	31st March 2019
Leasehold Land	216.08	205.51	2.61	418.98	7.35	2.50	-	9.85	409.13
Leasehold Building	28.02	4.09	-	32.11	2.96	3.55	-	6.51	25.60
Total	**244.10**	**209.60**	**2.61**	**451.09**	**10.31**	**6.05**	**-**	**16.36**	**434.73**

Particulars	Gross block					Accumulated depreciation					Net block
	1st April 2017	Additions	Disposals/ Adjustments	Transfer on Account of Transition to Ind AS 116 - April 01, 2017	31st March 2018	1st April 2017	Additions	Transfer on Account of Transition to Ind AS 116 - April 01, 2017	Disposals/ Adjustments	31st March 2018	31st March 2018
Leasehold Land	-	6.27	11.86	221.67	216.08	-	2.50	5.55	0.70	7.35	208.73
Leasehold Building	-	28.02	-	-	28.02	-	2.96	-	-	2.96	25.06
Total	**-**	**34.29**	**11.86**	**221.67**	**244.10**	**-**	**5.46**	**5.55**	**0.70**	**10.31**	**233.79**

Shyam Metalics and Energy Limited
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Annexure V
Notes to Restated Consolidated Ind AS Summary Statements

3. Capital Work -in- Progress

Particulars	1st April 2020	Additions	Disposals/ Adjustments	31st December 2020
Land	496.57	526.54	447.21	575.90
Buildings	485.81	1,880.87	767.95	1,598.73
Plant & Equipments	1,372.11	139.98	177.18	1,334.91
Total	**2,354.49**	**2,547.39**	**1,392.34**	**3,509.54**

Particulars	1st April 2019	Additions	Disposals/ Adjustments	31st December 2019
Land	496.57	-	-	496.57
Buildings	146.24	227.74	241.52	132.46
Plant & Equipments	2,934.18	1,191.92	2,690.16	1,435.94
Total	**3,576.99**	**1,419.66**	**2,931.68**	**2,064.97**

Particulars	1st April 2019	Additions	Disposals/ Adjustments	31st March 2020
Land	496.57	-	-	496.57
Buildings	146.24	1,010.68	671.11	485.81
Plant & Equipments	2,934.18	2,858.65	4,420.72	1,372.11
Total	**3,576.99**	**3,869.33**	**5,091.83**	**2,354.49**

Particulars	1st April 2018	Additions	Disposals/ Adjustments	31st March 2019
Land	480.75	59.24	43.42	496.57
Buildings	107.42	296.85	258.03	146.24
Plant & Equipments	318.10	4,167.61	1,551.53	2,934.18
Total	**906.27**	**4,523.70**	**1,852.98**	**3,576.99**

Particulars	1st April 2017	Additions	Disposals/ Adjustments	31st March 2018
Land	-	511.43	30.68	480.75
Buildings	552.41	40.86	485.85	107.42
Plant & Equipments	1,566.10	591.74	1,839.74	318.10
Total	**2,118.51**	**1,144.03**	**2,356.27**	**906.27**

(All amount in Indian Rupees Million, unless otherwise stated)

4. Intangible assets

Particulars	Gross block				Accumulated depreciation				Net block
	1st April 2020	Additions	Disposals/ Adjustments	31st December 2020	1st April 2020	Additions	Disposals/ Adjustments	31st December 2020	31st December 2020
Softwares	21.23	0.01	-	21.24	13.35	1.63	-	14.98	6.26
Total	**21.23**	**0.01**	**-**	**21.24**	**13.35**	**1.63**	**-**	**14.98**	**6.26**

Particulars	Gross block				Accumulated depreciation				Net block
	1st April 2019	Additions	Disposals/ Adjustments	31st December 2019	1st April 2019	Additions	Disposals/ Adjustments	31st December 2019	31st December 2019
Softwares	17.86	1.71	-	19.57	9.50	2.76	-	12.26	7.31
Total	**17.86**	**1.71**	**-**	**19.57**	**9.50**	**2.76**	**-**	**12.26**	**7.31**

Particulars	Gross block				Accumulated depreciation				Net block
	1st April 2019	Additions	Disposals/ Adjustments	31st March 2020	1st April 2019	Additions	Disposals/ Adjustments	31st March 2020	31st March 2020
Softwares	17.86	3.37	-	21.23	9.50	3.85	-	13.35	7.88
Total	**17.86**	**3.37**	**-**	**21.23**	**9.50**	**3.85**	**-**	**13.35**	**7.88**

Particulars	Gross block				Accumulated depreciation				Net block
	1st April 2018	Additions	Disposals/ Adjustments	31st March 2019	1st April 2018	Additions	Disposals/ Adjustments	31st March 2019	31st March 2019
Softwares	10.38	7.48	-	17.86	5.91	3.59	-	9.50	8.36
Total	**10.38**	**7.48**	**-**	**17.86**	**5.91**	**3.59**	**-**	**9.50**	**8.36**

Particulars	Gross block				Accumulated depreciation				Net block
	1st April 2017	Additions	Disposals/ Adjustments	31st March 2018	1st April 2017	Additions	Disposals/ Adjustments	31st March 2018	31st March 2018
Softwares	9.82	0.56	-	10.38	3.76	2.15	-	5.91	4.47
Total	**9.82**	**0.56**	**-**	**10.38**	**3.76**	**2.15**	**-**	**5.91**	**4.47**

Note 4A - Intangible Assets under Development

Particulars	Gross block				Accumulated depreciation				Net block
	1st April 2017	Additions	Disposals/ Adjustments	31st March 2018	1st April 2017	Additions	Disposals/ Adjustments	31st March 2018	31st March 2018
Softwares	2.49	4.99	-	7.48	-	-	-	-	7.48
Total	**2.49**	**4.99**	**-**	**7.48**	**-**	**-**	**-**	**-**	**7.48**

(a) Refer Note 45 A for property, plant and equipment taken on finance lease.

(b) Individual assets of property, plant and equipment has been reclassified wherever necessary.

(c) Refer note 42(a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(d) Refer note 19 & 25 for information on property, plant and equipment pledged as security by the Company.

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Notes to Restated Consolidated Ind AS Summary Statements
Note 5 - Non current investments

Particulars	Face Value	Number of Shares					Value				
		As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Investments measured at fair value through profit and loss											
Unquoted											
Investment in equity instruments											
Glowing Realty Private Limited	10	1,50,000	1,50,000	1,50,000	1,50,000	10,40,000	1.46	1.46	1.46	1.46	1.46
Investments measured at fair value through other comprehensive income											
Unquoted											
Investment in equity instruments											
Shyam Ferro Alloys Limited	10	4,90,000	4,90,000	4,90,000	4,90,000	4,90,000	70.62	57.49	57.49	59.62	51.35
Hrashva Storage and Warehouse Private Limited	10	-	-	-	1,97,608	-	-	-	-	7.36	-
Subhlabh Commercial Private Limited	10	1,01,350	1,01,350	1,01,350	1,01,350	1,01,350	17.19	17.23	17.22	18.26	17.07
Dorite Tracon Private Limited	2	7,30,000	7,30,000	7,30,000	7,30,000	7,30,000	97.56	108.47	100.12	95.42	65.82
Narantak Dealcomm Limited	10	1641088	16,41,088	1641088	1641088	16,41,088	353.28	332.72	333.06	320.15	299.38
Shubham Capital Private Limited	10	3,57,000	3,57,000	3,57,000	3,57,000	3,57,000	37.92	40.83	42.05	36.11	41.97
Platinum Minmet Private Limited	10	9,800	9,800	9,800	9,800	9,800	0.94	0.94	0.93	0.87	0.94
Sunglow Complex Private Limited	10	9,800	9,800	9,800	9,800	9,800	0.79	0.79	0.79	0.79	0.79
Swarnrekha Abasan Private Limited	10	9,800	9,800	9,800	9,800	9,800	1.37	1.37	1.37	1.46	1.35
Karva automart Limited	10	10,000	-	10,000	-	-	0.30	-	0.30	-	-
N R Energy Private Limited	10	-	4,900	-	-	-	-	0.35	-	-	-
Samay Commercials Private Limited	2	-	27,500	-	-	-	-	0.06	-	-	-
							579.97	**560.25**	**553.33**	**540.04**	**478.67**
Investments measured at cost/ deemed cost											
Unquoted											
Investments in Associates											
Kolhan Complex Private Limited	10	1,61,200	1,61,200	1,61,200	1,61,200	1,61,200	14.51	14.51	14.51	14.51	14.51
Add: Share in Profit / (Loss)							(0.00)	(0.04)	(0.08)	0.21	-
							14.51	**14.47**	**14.43**	**14.72**	**14.51**
Meghana Vyapaar Private Limited	10	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000	1.00	1.00	1.00	25.40	1.00
Add: Share in Profit / (Loss)							1.44	5.43	0.19	0.19	24.40
							2.44	**6.43**	**1.19**	**25.59**	**25.40**
Kecons Trade Care Private Limited	10	74,07,500	74,07,500	74,07,500	74,07,500	74,07,500	100.00	100.00	100.00	100.08	100.00
Add: Share in Profit / (Loss)							0.08	0.08	0.11	-	0.08
							100.08	**100.08**	**100.11**	**100.08**	**100.08**
Nirjhar Commodities Private Limited	10	-	-	-	7,300	-	-	-	-	0.08	-
Add: Share in Profit/(Loss)							-	-	-	(0.10)	-
							-	-	-	**(0.02)**	-
Sub -Total							**117.03**	**120.98**	**115.73**	**140.37**	**139.99**

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Notes to Restated Consolidated Ind AS Summary Statements
Note 5 - Non current investments

Particulars	Face Value	Number of Shares					Value				
		As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Investments in Joint Ventures											
Kalinga Energy & power Limited	10	1,25,000	1,25,000	1,25,000	1,25,000	1,33,400	1.25	1.25	1.25	1.24	1.25
Add: Share in Profit / (Loss)							(0.01)	(0.13)	0.02	0.02	(0.01)
							1.24	**1.12**	**1.27**	**1.26**	**1.24**
MJSJ Coal Limited**	10	85,59,000	85,59,000	85,59,000	85,59,000	85,59,000	-	-	-	-	-
Karo River Pellets Private Limited	10	5,000	5,000	5,000	5,000	-	0.05	0.05	0.05	0.05	-
Add: Share in Profit/(Loss)							-	-	-	-	-
							0.05	**0.05**	**0.05**	**0.05**	**-**
Sub -Total							**1.29**	**1.17**	**1.32**	**1.31**	**1.24**
Investment in Bond											
8.09% PFC Limited	100000	-	500	500	-	-	-	48.89	48.99	-	-
Investment In Property											
Land							2.31	2.31	2.43	-	-
Investment in Government Securities											
National Saving Certificate (VII Issue)							1.04	1.04	1.04	1.04	0.77
Total							**703.10**	**734.64**	**724.30**	**684.22**	**622.13**
Aggregate amount of unquoted investments							**703.10**	**734.64**	**724.30**	**684.22**	**622.13**

*The Company has a 9% interest in the assets and liabilities of the MJSJ Coal Limited (Joint Venture Company), incorporated in India which is yet to commence the commercial extraction of coal and hence no Profit & Loss account has been prepared by the Joint Venture Company.
The Hon'ble Supreme Court of India cancelled the allocation of coal blocks by the Government of India to state and private sectors in during the financial year 2014-15. Consequently, the allocation of coal block to MJSJ stood cancelled. The fair value of investment in Joint Venture on April 01, 2015 (transition date) is Nil, hence the amount of ₹ 85.60 millions has been transferred to retained earning.

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Note 6 - Other Financial Assets

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
(Unsecured, considered good)					
Security deposits	26.88	17.63	117.94	16.90	8.24
Bank deposits for maturity more than 12 months	421.33	307.49	289.73	58.06	30.08
Total	**448.21**	**325.12**	**407.67**	**74.96**	**38.32**

Note 7 - Other non-current assets

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
(Unsecured, considered good)					
Capital advances	1,734.50	1,140.48	1,410.98	512.38	713.08
Advances recoverable	1,983.63	606.49	774.64	8.67	-
Advances to employees	-	11.66	46.66	-	-
Prepaid Expenses	5.02	1.36	8.13	6.86	1.17
Deposits against demands under dispute	54.65	61.94	52.04	51.88	0.60
Total	**3,777.80**	**1,821.93**	**2,292.45**	**579.79**	**714.85**

Note 8 - Inventories

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
(Valued at lower of cost and Net Realisable Value)					
Raw Materials	8,117.10	8,033.31	11,387.35	4,926.79	3,599.71
Work in progress	26.55	30.00	24.85	29.19	2.40
Finished Goods	2,400.88	2,140.85	2,352.67	1,458.74	1,562.07
Stores and Spares	625.77	663.48	635.75	501.36	333.92
Furnace Oil	7.57	3.28	10.94	19.85	3.94
Traded Goods	43.33	203.92	84.40	40.72	1.92
By Products	278.58	238.15	371.15	344.68	80.97
Total	**11,499.78**	**11,312.99**	**14,867.11**	**7,321.33**	**5,584.93**

(a) Inventories are hypothecated to bank against credit limit from banks.

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Notes to Restated Consolidated Ind AS Summary Statements

Note 9 - Current Investments

Particulars	Face Value	Numbers / Units					Value				
		As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Investments measured at fair value through profit and loss											
Quoted											
Investments at quoted instrument											
Investments in equity instruments											
Bajaj Finance Limited	2	6,547	6,547	6,547	6,547	6,547	34.67	27.72	14.51	19.80	11.57
Investment in Prefernce Shares											
Zee Entertainment (Redemable Preference Share)	8	2,097	2,097	2,097	2,097	21,978	0.01	0.01	0.01	0.01	0.02
Investment in Bonds											
8.09% PFC Limited	1,00,000	500	-	-	-	-	49.49	-	-	-	-
Investment in Non- Convertible Debenture											
Cornerview Constructions & Developers Private Limited	50,000	80	80	80	80	80	0.26	1.43	1.43	7.31	3.63
Miraya Reality Private Limited	1,00,000	150	150	56	56	56	18.18	22.11	9.10	5.60	9.02
Runwal Real Estates Private Limited	1,00,000	-	-	-	-	36	-	-	-	-	5.18
Shriprop Dwellers Private Limited	1,00,000	54	54	54	54	54	0.81	2.46	2.46	3.00	6.28
NCD Sterling Habitats Private Limited	1,00,000	4	4	4	4	-	0.55	0.46	0.46	0.39	-
Sterling Habitats Private Limited	1,00,000	31	31	31	31	31	7.70	6.46	6.46	5.43	4.59
Sterling habitates Private Limited	1,00,000	-	-	-	-	4	-	-	-	-	0.39
Miraya Realty Private Limited	1,00,000	-	-	94	94	94	-	-	13.01	13.07	11.22
Runwal Real Estates Private Limited	1,00,000	-	-	-	-	61	-	-	-	-	6.53
Runwal Real Estates Private Limited	1,00,000	-	-	-	-	40	-	-	-	-	4.28
NCD Cornerview Constructions Private Limited	50,000	72	72	72	72	72	0.52	1.47	1.47	2.20	3.85
Sterling Habitats Private Limited	50,000	32	32	28	28	28	3.52	2.96	2.96	2.49	2.52
Genie Commercial Ventures Private Limited.	1,00,000	82	77	77	77	77	9.79	10.48	0.54	8.54	8.55
Embassy Office Parks Reit Sr I	10,00,000	10	10	10	-	-	11.10	10.40	10.00	-	-
ICICI Home Finance Co. Limited- Bond Issuence	5,00,000	80	80	80	-	-	45.44	40.00	40.00	-	-
Genie Commercial Ventures Private Limited	1,00,000	-	-	5	5	5	-	-	9.52	0.49	0.50
							97.87	**98.23**	**97.41**	**48.52**	**66.54**

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Note 9 - Current Investments

Particulars	Face Value	Numbers / Units					Value				
		As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Unquoted											
Investment in Mutual Funds											
Aditya Birla Sun Life Infrastructure Fund -Plan Dividend		-	48,682	52,060	48,682	-	-	0.94	0.64	1.02	-
Aditya Birla Sun Life Index Fund - Growth		-	28,207	28,207	-	-	-	3.39	2.42	-	-
DSP Equity Fund Direct Plan - Growth		-	80,621	80,621	80,621	-	-	3.61	2.75	3.29	-
DSP Blackrock Natural Resources And New Energy Fund -Dividend		-	70,554	70,554	70,554	-	-	1.23	0.81	1.24	-
Kotak Infrastructure And Economic Reform Fund Direct Dividend		-	50,237	50,237	50,237	-	-	1.08	0.75	1.07	-
ICICI Prudenctial Value Fund Series 20 Direct Plan		5,00,000	5,00,000	5,00,000	5,00,000	-	5.82	5.19	3.76	4.99	-
Franklin India Smaller Companies Fund -Direct - Growth		-	78,356	78,356	78,356	-	-	4.24	2.86	4.62	-
Franklin Build India Fund - Direct - Dividend		-	-	-	2,05,946	-	-	-	-	5.05	-
Reliance Money Market direct growth plan		-	-	-	45,278	-	-	-	-	125.51	-
HDFC Small Cap Fund- Direct Growth Plan		-	18,039	-	1,80,039	-	-	0.83	-	0.95	-
HSBC Large Cap Equity Fund - Growth		-	-	-	14,679	-	-	-	-	3.22	-
HDFC Housing Opportunities Fund- Direct Growth		-	10,00,000	10,00,000	-	-	-	9.57	6.50	-	-
Axis Enhanced Arbitrage fund collection A/c		-	-	-	-	9,60,722	-	-	-	-	10.52
Tata Infrastructure Fund (G)		-	-	-	-	66,718	-	-	-	-	3.76
Edelweiss Real Estate Opportunities Fund.		21,510	21,935	-	-	19,475	247.77	279.11	-	-	103.82
SBI Magnum Income Fund-Direct Plan-Growth		-	-	-	-	3,05,142	-	-	-	-	13.30
SBI Arbitrage Opportunities Fund-Direct Plan-Dividend		-	-	-	-	81,228	-	-	-	-	171.76
DSP Blackrock Equal Nifty 50 Fund - Dir - Growth		-	-	-	-	5,13,022	-	-	-	-	19.89
Edelweiss Crossover Opportunities Fund		1,09,96,491	1,66,06,285	-	-	93,50,933	156.37	189.99	-	-	215.26
DSP Blackrock India Enhanced Equity Satcore Fund		-	-	-	-	3,00,000	-	-	-	-	30.55
L&T India Prudence Fund Direct Plan- Dividend		-	-	-	-	2,28,629	-	-	-	-	4.91
L&T India Special Situations Fund Direct Plan- Dividend		-	-	-	-	1,53,593	-	-	-	-	4.82
L&T India Value Fund Direct Plan - Dividend		-	-	-	-	2,58,820	-	-	-	-	7.68
L&T Infrastructure Fund Direct Plan -Dividend		-	68,559	68,559	68,559	-	-	1.11	0.76	1.15	-
L&T Money Market Fund - Growth		-	-	-	52,89,186	-	-	-	-	100.04	-
L&T India Large Cap Fund - Growth		-	1,14,649	1,14,649	1,14,649	-	-	3.49	2.56	3.24	-
L&T Emerging Businesses Fund Direct Dividend		-	-	-	-	3,03,187	-	-	-	-	7.08
DSP Blackrock Equity Savings Fund- Dir- Monthly Dividend		-	-	-	-	17,06,639	-	-	-	-	9.58
DSP Blackrock Equity Opportunities Fund - Direct Plan - Dividend		-	-	-	-	1,35,376	-	-	-	-	4.91
ICICI Prudential Dynamic -Direct Plan-Dividend		-	-	-	-	3,63,512	-	-	-	-	9.77
ICICI Prudential Balanced Fund -Direct Plan -Monthly Dividend		-	-	-	-	3,19,151	-	-	-	-	9.73
ICICI Prudential Equity Arbitrage Fund - Direct Plan - Dividend		-	-	-	-	65,120	-	-	-	-	0.94
Indiabulls Blue Chip Fund -Direct Plan -Dividend		-	-	-	-	40,88,307	-	-	-	-	50.41
Aditya Birla Sunlife Enhanced Arbitrage Fund - Dividend-Direct Plan		-	-	-	-	46,40,166	-	-	-	-	4.83

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Note 9 - Current Investments

Particulars	Face Value	Numbers / Units					Value				
		As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
DSP Blackrock Arbitrage Fund - Dir - Monthly Dividend		-	-	-	-	50,37,262	-	-	-	-	50.73
Kotak Infrastructure And Economic Reform Fund Direct Dividend		-	-	-	-	2,05,239	-	-	-	-	4.62
L&T Infrastructure Fund Direct Plan -Dividend		-	-	-	-	2,55,493	-	-	-	-	4.56
Aditya Birla Sun Life Infrastructure Fund -Plan Dividend		-	-	-	-	2,04,077	-	-	-	-	4.62
DSP Blackrock Natural Resources And New Energy Fund- Dividend		-	-	-	-	2,41,122	-	-	-	-	4.55
ICICI Prudenctial Value Fund Series 20 Direct Plan		-	-	-	-	5,00,000	-	-	-	-	4.91
Franklin India Smaller Companies Fund -Direct - Growth		-	-	-	-	78,356	-	-	-	-	4.89
Franklin Build India Fund - Direct - Dividend		-	-	-	-	1,90,951	-	-	-	-	4.64
HDFC Small Cap Fund- Direct Growth Plan		-	-	-	-	1,06,838	-	-	-	-	4.98
HSBC Small Cap Equity Fund - Growth Direct Plan		-	-	18,039	-	79,890	-	-	0.60	-	4.81
HSBC Large Cap Equity Fund - Growth		-	14,679	14,679	14,679	-	-	3.49	2.56	3.22	-
Aditya Birla Sun Life Small & Midcap Fund Dividend - Direct Plan		-	-	-	-	1,18,418	-	-	-	-	51.23
SBI-Short Term Debt Fund-Direct Plan - Growth		-	-	-	-	14,77,528	-	-	-	-	30.37
SBI Treasury Advantage Fund		-	-	-	-	81,204	-	-	-	-	2.15
Edelweiss Crossover Opportunities Fund		-	-	1,55,54,844	1,76,07,001	-	-	-	151.93	181.78	-
Edelweiss Real Estate Opportunities Fund		-	-	29,520	21,935	-	-	-	344.96	254.82	-
SBI Debt Fund Series - C - 7 (1190 Days) - Direct Growth		29,87,784	29,87,784	29,87,784	29,87,784	-	37.32	34.76	35.39	32.52	-
SBI saving Fund -Direct Plan -Growth		-	-	-	33,28,995	-	-	-	-	100.00	-
DSP Black Rock Equity Savings Fund		-	-	-	-	17,06,639	-	-	-	-	20.04
DSP Black Rock Opportunites Fund		-	-	-	-	1,35,376	-	-	-	-	7.12
ICICI Prudential Mutual Fund Collection		-	-	-	-	41,67,641	-	-	-	-	69.82
L&T Arbitrage Opportunity Fund		-	-	-	-	51,01,936	-	-	-	-	50.32
HDFC Housing Opportunities Fund Series 1		20,00,000	20,00,000	20,00,000	20,00,000	10,00,000	19.82	9.57	6.50	20.82	19.26
Birla Sunlife Mutual Fund		-	-	-	-	76,277	-	-	-	-	1.08
Kotak Equity Arbitrage Fund		-	-	-	-	21,75,210	-	-	-	-	51.96
INVESCO India Money Market Fund - Growth		-	-	-	92,401	-	-	-	-	200.53	-
Kotak Blue Chip Fund - Growth		-	13,028	13,028	13,028	-	-	3.54	2.58	3.26	-
TATA Liquidity Fund- Direct Plan- Growth		62,067	-	-	-	-	200.01	-	-	-	-
Kotak Money Market Fund - Growth		-	-	-	32,412	-	-	-	-	100.04	-
Bharat 22 ETF		-	-	-	-	2,61,120	-	-	-	-	18.31
SBI liquid fund		28,158	-	-	2,73,514	-	90.01	-	-	801.01	-
SBI Magnum Income Fund		-	-	-	-	34,47,682	-	-	-	-	50.79
SBI Magnum Instacash Fund		8,175	8,175	8,175	44,717	-	37.20	34.67	35.28	32.59	-
Avendus Absolute Return Fund		-	-	-	-	-	-	-	-	-	104.34
Sub-Total							**794.32**	**589.81**	**603.61**	**1,985.98**	**1,253.62**
Total							**976.36**	**715.77**	**715.54**	**2,054.31**	**1,331.75**
Aggregate amount of quoted investments							**182.04**	**125.96**	**111.93**	**68.33**	**78.13**
Aggregate amount of Unquoted investments							**794.32**	**589.81**	**603.61**	**1,985.98**	**1,253.62**

(All amount in Indian Rupees Million, unless otherwise stated)

Note 10 - Trade Receivables

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Trade receivables considered good (Secured)	564.93	1,081.42	1,147.27	-	-
Trade receivables considered good (Unsecured)	1,871.93	1,888.02	1,442.91	2,129.06	3,687.15
Trade receivable - credit impaired	42.31	31.81	45.31	20.09	56.64
	2,479.17	**3,001.25**	**2,635.49**	**2,149.15**	**3,743.79**
Less: Allowances for credit losses	(42.31)	(31.81)	(45.31)	(20.09)	(56.64)
Total	**2,436.86**	**2,969.44**	**2,590.18**	**2,129.06**	**3,687.15**

(a) Trade Receivables are hypothecated to bank against working capital facility.

(b) The Company is regularly receiving dues from its customers. Hence, they are secured from credit losses in the future. Provision for expected delay in realisation in trade receivables beyond contractual terms is determined using a provision matrix which takes into account available external and internal liquidity risk factors including historical credit loss experience and adjusted for forward looking information. The Company uses an estimated economic value based on age of receivables to compute the expected credit loss allowance.

Credit risk / loss arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company.

(c) Ageing of Trade receivable

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
0 - 30 days	1,771.44	2,280.41	1,813.59	1,491.54	2,471.02
31 - 60 days	311.87	235.07	376.96	256.36	376.86
61 - 90 days	36.55	19.47	92.48	101.39	292.09
More than 90 days	359.31	466.30	352.46	299.86	603.82
Total	**2,479.17**	**3,001.25**	**2,635.49**	**2,149.15**	**3,743.79**

Note 11 - Cash and Cash Equivalents

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Balance with banks - in current account	136.13	212.35	288.16	94.28	75.96
Cheques/ DD on Hand	12.08	-	1.35	-	-
Cash on hand	5.37	6.25	7.45	4.67	5.29
Total	**153.58**	**218.60**	**296.96**	**98.95**	**81.25**

Note 12 - Other Bank Balances

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Fixed Deposits held as margin with maturity less than 3 months	310.97	31.40	364.55	281.70	127.40
Fixed deposits maturity for more than 3 months but less than 12 months	1,317.03	425.57	550.80	597.76	324.29
Total	**1,628.00**	**456.97**	**915.35**	**879.46**	**451.69**
Total (11+12)	**1,781.58**	**675.57**	**1,212.31**	**978.41**	**532.94**

Note 13 - Loans

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
(Unsecured, considered good except otherwise stated)					
Loan to related parties	91.16	82.74	0.25	170.21	1.78
Loan to body corporates - Considered Good	66.71	138.97	41.58	303.85	58.46
Loan to body corporates -Considered doubtful	7.62	7.62	7.62	-	-
	165.49	**229.33**	**49.45**	**474.06**	**60.24**
Less: Provision for Doubtful Loans	7.62	7.62	7.62	-	-
Total	**157.87**	**221.71**	**41.83**	**474.06**	**60.24**

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Note 14 - Other Financial Assets

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
(Unsecured, considered good)					
Interest accrued and due on fixed deposits	56.21	31.83	12.09	19.94	4.20
Interest accrued and due on bonds	0.41	0.41	-	-	-
Derivative Assets	-	-	-	50.00	10.07
Earnest money deposit	50.00	50.00	50.00	610.20	0.02
Incentive Receivable	560.40	571.46	546.39	6.09	688.54
MTM receivables	10.51	0.21	-	-	-
Insurance Claim Receivable	3.14	-	-	-	-
Security deposits	61.67	64.62	53.05	-	107.55
Total	**742.34**	**718.53**	**661.53**	**686.23**	**810.38**

Note 15 - Current Tax Assets

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Advance income tax (net of provision)	-	34.68	48.09	42.41	-
Total	-	**34.68**	**48.09**	**42.41**	-

Note 16 - Other Current Assets

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
(Unsecured, considered good except otherwise stated)					
Advances against goods and expenses					
- Considered Good	5,069.67	7,159.99	5,288.73	3,698.22	2,735.34
- Considered doubtful	5.21	5.21	5.21	5.21	-
Prepaid Expenses	3.37	12.05	3.91	3.01	2.79
Advances to employees	22.27	33.81	45.57	12.45	10.44
Advances for IPO	-	-	-	28.96	-
Balances with statutory authorities	439.74	453.13	373.87	439.00	192.73
	5,540.26	**7,664.19**	**5,717.29**	**4,186.85**	**2,941.30**
Less: Provision for advances to suppliers	5.21	5.21	5.21	5.21	-
Total	**5,535.05**	**7,658.98**	**5,712.08**	**4,181.64**	**2,941.30**

Note 17 - Share Capital
a) Authorised, Issued, Subscribed and Paid up Share Capital

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Authorised Capital					
290,000,000 (December 31, 2020 - 290,000,000 ; December 31, 2019 - 290,000,000; March 31, 2020 - 290,000,000 ; March 31, 2019 - 290,000,000 ; March 31, 2018 - 76,000,000) Equity Shares of ₹ 10 each)	2,900.00	2,900.00	2,900.00	2,900.00	760.00
Total	**2,900.00**	**2,900.00**	**2,900.00**	**2,900.00**	**760.00**
Issued, Subscribed & Paid-up Capital					
233,610,100 (December 31, 2020 - 233,610,000; December 31, 2019; 233,610,100; March 31, 2020 - 233,610,100; March 31, 2019 - 233,610,100; March 31, 2018 - 46,722,020) Equity Shares of ₹ 10 each	2,336.10	2,336.10	2,336.10	2,336.10	467.22
Total	**2,336.10**	**2,336.10**	**2,336.10**	**2,336.10**	**467.22**

Note 1 - Subsequent to 31st March 2018, vide resolution passed by the shareholders in the Extra Ordinary General Meeting held on 11th June, 2018, the authorised share capital of the Company has been increased from ₹ 760 million to ₹ 2,900 million.

Note 2- The Company, pursuant to the Board Resolution passed on 20th June 2018, has issued 4 fully paid up equity shares of ₹ 10 each for each fully paid up equity share of ₹ 10 each to the existing shareholders whose names appear in the register of members as on 20th June 2018. As per section 63(1) of the Companies Act, 2013, the bonus shares have been issued by utilising securities premium account. The bonus shares shall rank pari passu in all respects, including dividend, with the existing shares of the Company.

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b) Reconciliation of equity shares outstanding at the end of the reporting period

Particulars	As at 31st December 2020		As at 31st December 2019		As at 31st March 2020		As at 31st March 2019		As at 31st March 2018	
	No of shares	₹ in millions	No of shares	₹ in millions	No of shares	₹ in millions	No of shares	₹ in millions	No of shares	₹ in millions
Equity shares at the beginning of the year	23,36,10,100	2,336.10	23,36,10,100	2,336.10	23,36,10,100	2,336.10	4,67,22,020	467.22	4,67,22,020	467.22
Bonus Issue (4:1)	-	-	-	-	-	-	18,68,88,080	1,868.88	-	-
Equity shares at the end of the year	**23,36,10,100**	**2,336.10**	**23,36,10,100**	**2,336.10**	**23,36,10,100**	**2,336.10**	**23,36,10,100**	**2,336.10**	**4,67,22,020**	**467.22**

c) Rights/preferences/restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

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

d) Aggregate no. of shares issued for consideration other than cash during the period of 5 years immedialtely preceding the reporting date

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Opening	87,29,028	87,29,028	87,29,028	87,29,028	87,29,028
Equity Share allotted as fully paid up pursuant to contract for consideration other than cash	-	-	-	-	-
Total	**87,29,028**	**87,29,028**	**87,29,028**	**87,29,028**	**87,29,028**

e) Aggregate number of bonus shares allotted as fully paid up during the period of 5 years immedialtely preceding the reporting date

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Fully Paid up Bonus Shares issued during the year	-	-	-	18,68,88,080	-
Total	-	-	-	**18,68,88,080**	**-**

f) Details of shareholders holding more than 5% shares in the Company

Equity shares of ₹ 10 each fully paid up	As at 31st December 2020		As at 31st December 2019		As at 31st March 2020		As at 31st March 2019		As at 31st March 2018	
	No. of shares	Holding	No. of shares	Holding	No. of shares	Holding	No. of shares	Holding	No. of shares	Holding
Subham Buildwell Private Limited	7,25,97,250	31.08%	7,25,97,250	31.08%	7,25,97,250	31.08%	7,25,97,250	31.08%	1,45,19,450	31.08%
Narantak Dealcomm Limited	5,40,63,340	23.14%	5,40,63,340	23.14%	5,40,63,340	23.14%	5,40,63,340	23.14%	1,08,12,668	23.14%
Subham Capital Private Limited	4,19,94,770	17.98%	4,19,94,770	17.98%	4,19,94,770	17.98%	4,19,94,770	17.98%	83,98,954	17.98%
Mr. Brij Bhushan Agarwal	2,32,84,820	9.97%	2,32,84,820	9.97%	2,32,84,820	9.97%	2,32,84,820	9.97%	46,83,964	10.03%
Kalpataru Housfin & Trading Private Limited	2,22,19,150	9.51%	2,22,19,150	9.51%	2,22,19,150	9.51%	2,22,19,150	9.51%	13,59,000	2.91%
Dorite Tracon Private Limited	1,51,96,665	6.51%	1,51,96,665	6.51%	1,51,96,665	6.51%	1,51,96,665	6.51%	30,39,333	6.51%

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Note - 18

Particulars	Reserves and Surplus				Share Application pending allotment	FVTOCI Equity Instruments	Remeasurement of the net defined benefit plans	Total Attributable to Owners of the Company	Attributable to Non Controlling Interest	Total Other Equity
	Securities Premium	Retained Earnings	Capital Reserves	Other Reserves						
Balance at 1st April 2017	**3,650.35**	**6,374.34**	**3,210.75**	**11.00**	-	**182.69**	**(5.68)**	**13,423.45**	**4,141.06**	**17,564.51**
Profit / (Loss) for the year	-	4,243.66	-	-	-	-	-	4,243.66	1,036.73	5,280.39
Other Comprehensive Income	-	-	-	-	-	(45.85)	4.82	(41.03)	(20.57)	(61.60)
Adjustment in Non Controlling Interest during the year	-	-	446.59	-	-	-	-	446.59	(3,061.81)	(2,615.22)
Balance at 31st March 2018	**3,650.35**	**10,618.00**	**3,657.34**	**11.00**	-	**136.84**	**(0.86)**	**18,072.67**	**2,095.41**	**20,168.08**
Balance at 1st April 2018	**3,650.35**	**10,618.00**	**3,657.34**	**11.00**	-	**136.84**	**(0.86)**	**18,072.67**	**2,095.41**	**20,168.08**
Bonus Share allotted in the Ratio of 4:1	(1,868.88)	-	-	-	-	-	-	(1,868.88)	-	(1,868.88)
Profit / (Loss) for the year	-	6,041.25	-	-	-	-	-	6,041.25	-	6,041.25
Adjustment in Non Controlling Interest during the year	-	-	-	-	-	-	-	-	326.58	326.58
Acquisition of subsidiary	-	-	265.70	-	-	-	-	265.70	(2,352.63)	(2,086.93)
Disposal of Subsidiary	-	39.75	(39.75)	-	-	-	-	-	(25.02)	(25.02)
Other Comprehensive Income	-	-	-	-	-	48.14	1.62	49.76	-	49.76
Balance at 31st March 2019	**1,781.47**	**16,699.00**	**3,883.29**	**11.00**	-	**184.98**	**0.76**	**22,560.50**	**44.34**	**22,604.84**
Balance at 1st April 2019	**1,781.47**	**16,699.00**	**3,883.29**	**11.00**	-	**184.98**	**0.76**	**22,560.50**	44.34	**22,604.84**
Profit / (Loss) for the year	-	3,403.41	-	-	-	-	-	3,403.41	-	3,403.41
Income tax effect	-	-	-	-	(5.51)	-	-	(5.51)	-	(5.51)
Adjustment in Non Controlling Interest during the year	-	-	-	-	-	-	-	-	(2.83)	(2.83)
Acquisition of subsidiary	-	-	(44.58)	-	-	-	-	(44.58)	-	(44.58)
Disposal of Subsidiary	-	-	-	-	-	-	-	-	-	-
Transfer to Retained earnings	-	(1.09)	-	-	-	1.09	-	-	-	-
Other Comprehensive Income	-	-	-	-	16.31	(6.48)	-	9.83	-	9.83
Balance at 31st March 2020	**1,781.47**	**20,101.32**	**3,838.71**	**11.00**	**10.80**	**179.59**	**0.76**	**25,923.65**	**41.51**	**25,965.16**
Balance at 1st April 2019	**1,781.47**	**16,699.00**	**3,883.29**	**11.00**	-	**184.98**	**0.76**	**22,560.50**	**44.34**	**22,604.84**
Profit / (Loss) for the year	-	2,605.73	-	-	-	-	-	2,605.73	-	2,605.73
Income tax effect	-	-	-	-	-	(8.60)	9.23	0.63	-	0.63
Adjustment in Non Controlling Interest during the year	-	-	-	-	-	-	-	-	(2.12)	(2.12)
Acquisition/Merger of subsidiary	-	-	(44.58)	-	-	-	-	(44.58)	-	(44.58)
Other Comprehensive Income	-	-	-	-	-	35.41	(27.24)	8.17	-	8.17
Balance at 31st December 2019	**1,781.47**	**19,304.73**	**3,838.71**	**11.00**	-	**211.79**	**(17.25)**	**25,130.45**	**42.22**	**25,172.67**
Balance at 1st April 2020	**1,781.47**	**20,101.32**	**3,838.71**	**11.00**	**10.80**	**179.59**	**0.76**	**25,923.65**	**41.51**	**25,965.16**
Profit / (Loss) for the year	-	4,563.23	-	-	-	-	-	4,563.23	-	4,563.23
Adjustment in Non Controlling Interest during the year	-	-	-	-	-	-	-	-	(0.02)	(0.02)
Income tax effect	-	-	-	-	-	(8.96)	(0.31)	(9.27)	-	(9.27)
Disposal of Subsidiary	-	0.12	-	-	-	-	-	0.12	-	0.12
Transferred to Demerged Division	-	(8.92)	-	-	-	-	-	(8.92)	-	(8.92)
Other Comprehensive Income	-	-	-	-	-	46.46	1.39	47.85	-	47.85
Balance at 31st December 2020	**1,781.47**	**24,655.75**	**3,838.71**	**11.00**	**10.80**	**217.09**	**1.84**	**30,516.66**	**41.49**	**30,558.15**

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Note 19 - Borrowings

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Secured					
Indian Rupee Loan	711.66	3,493.79	2,987.88	1,822.51	1,230.19
Foreign currency loan	1,318.79	725.91	1,094.65	964.59	1,617.80
Hire Purchase Finance	0.67	1.12	1.01	0.06	0.07
Commercial Vehicle Loan	2.32	5.38	3.52	1.19	1.67
	2,033.44	**4,226.20**	**4,087.06**	**2,788.35**	**2,849.73**
Less: Current maturities of Long Term debt	(213.65)	(684.71)	(580.38)	(660.68)	(837.24)
	1,819.79	**3,541.49**	**3,506.68**	**2,127.67**	**2,012.49**
Unsecured					
Loan from related parties	6.44	6.27	6.44	5.11	4.75
Total	**1,826.23**	**3,547.76**	**3,513.12**	**2,132.78**	**2,017.24**

Repayment terms and security disclosure for outstanding long-term borrowings (excluding current maturities) as on 31st December 2020:

(i) Hire Purchase Finance and commercial vehicle loan is secured against hypothecation of respective assets

(ii) Details of terms and conditions of term loan from banks

Name of the Bank	Type of loan	Rate of Interest	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018	Repayment Schedule	Security, Pre-payment and Penalty
Union Bank of India and State Bank of India	Term Loan		-	-	-	79.46	99.36	Fully repaid	
State Bank of India, South India Bank, Union Bank of India and Allahabad Bank	Term Loan		-	963.00	941.40	1,020.98	1,012.20	Fully repaid	
State Bank of India	FCNRTL		-	-	-	131.09	283.67	Fully repaid	
Axis Bank	ECB		54.74	226.44	197.44	387.62	720.48	Fully repaid	Note 19.1
ICICI Bank	ECB	6 M USD Libor +4.25%	57.41	266.79	76.70	445.88	764.91	3 half yearly installments remain as on 31-12-2020	Note 19.2
OLB Bank	ECB	6 M euribor +1.25% p.a	1,203.65	228.86	308.73	-	-	External Commercial Borrowing of EURO 18.61 million sanctioned amount and disbursed up to 31.12.2020 Rs 13.40 million (USD 13.40 million outstanding) is repayable in 17 (equal) half yearly installments beginning from 31.12.2021 and ending on 31.12.2029	Note 19.3
ICICI Bank, Axis & Bank of Baroda (Phase V)	Term Loan	1 Year MCLR + 0.85%	714.40	1,812.30	1,804.80	750.00	-	33 quaterly installment remain as on 31-12-2020 payable to ICICI Bank. Borrowings from Axis Bank and Bank of Baroda has been fully repaid.	Note 19.4
ICICI Bank(New Loan)	Term Loan		-	750.00	750.00	-	-	Fully repaid	
Unamortized Upfront Fees & Reinstatement of Loan			**0.25**	**(27.60)**	**3.46**	**(27.93)**	**(32.63)**		
Total			**2,030.45**	**4,219.79**	**4,082.53**	**2,787.10**	**2,847.99**		

Note 19.1

Security
Term Loan was secured by first charge by way of hypothecation over all the fixed/ movable assets pertaining to the project at Jamuria, West Bengal ranking pari-passu with all the other Projects lenders and second charge on current assets of the company.

Pre-payment terms
2% of the prepaid amount of the Facility. However no prepayment penalty shall be payable:
a) If the pre-payment is effected at the instance of lenders
b) If the pre-payment is made on the Interest Reset dates
c) If the prepayment is made from the internal accruals of the company

Penalty
The Borrower shall pay Liquidated Damages at the rate of 2 % p.a. on the total outstanrling of the Facility in the event of any defaults in payment of interest, principal, upfront fee or any other monies due to the Lenders on their respective dates during the currency of the Term Debt Facilrty for the relevant period.

Note 19.2

Security
i) First charge by way of Equitable Mortgage/Registered Mortgage/ English mortgage over all the moveable properties including the land (pertaining to the project) situated at Sangli in the state of Maharashtra.
ii) First charge by way of hypothecation over all moveable fixed assets of the Project, both present and future.
iii) Assignments of rights, interest and obligations of the Borrower under the Project Documents, including insurance policies relating to the Project, permits/approvals, clearances related to the Project, both present and future.

iv) Second charge over all the current assets of the Project, both present and future.

Pre-payment terms
Subject to the prevailing guidelines issued by RBI in respect of ECB's, the Borrower may prepay in whole or in part (if in part, minimum amound of USD 1 million, or a higher amount, which is in integral multiples of USD 1 million or if lesse than the entire outstanding facility) upon 15 business days prior written notice to the Lender along with the prepayment premium of 0.20% of the amount to be prepaid.

Penalty
There is no penalty clause.

Note 19.3
Security
Exclusive first charge on the equipment (universal rolling mill, separator, universal grinder, Spare part for stock of plant & machinery procured from Achenbach, Germany)

Pre-payment terms & Penalty Clause
Breakage cost.

Note 19.4
Security
i) First pari passu charge on all the immovable and movable fixed assets of Sambalpur unit of the Company, both present and future (excluding assets exclusively charged to ICICI Bank/other lenders).
ii) Second pari passu charge on entire current asstes of the Company, both present and future of the Sambalpur unit.

Pre-payment terms
The Company may pay any of the outstanding tranches (in part or full) without any prepayment premium/penalty if prepayment is done on annual interest reset date out of internal accruals/equity infusion.

Penalty
There is no penalty clause.

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Note 20 - Others Financial Liabilities

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Security deposits received	120.16	97.62	124.48	374.00	78.59
Retention Money	80.21	66.74	74.33	49.21	15.10
Total	**200.37**	**164.36**	**198.81**	**423.21**	**93.69**

Note 21 - Provisions

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Provision for Employee Benefits - Gratuity	95.26	96.51	80.33	58.40	57.82
Provision for Employee Benefits - Leave	2.51	1.48	191.50	1.34	-
Total	**97.77**	**97.99**	**271.83**	**59.74**	**57.82**

Note 22 - Deferred tax

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Deferred tax liability arising on account of :					
Fixed assets : Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	1,684.41	1,931.36	2,072.73	2,098.38	1,171.19
Others	3.68	1.93	6.11	14.24	8.10
Fair valuation of investment	93.61	88.48	85.84	82.98	13.55
Revaluation of fixed assets	-	-	-	-	837.92
Deferred tax asset arising on account of :					
Provision on receivables	4.62	6.44	6.44	6.36	18.11
Others	162.25	142.50	152.62	143.60	94.33
Revaluation of fixed assets	-	-	-	-	(273.46)
Amortisation of upfront fees (net)	(1.03)	(11.22)	(0.98)	1.64	-
lease Liabilities	11.53	13.04	12.59	-	-
Expenditure allowed for tax purpose on payment basis	36.54	36.37	70.65	39.95	9.49
	1,567.79	**1,834.64**	**1,923.36**	**2,004.05**	**2,182.29**
Less: Mat Credit Entitlement	(2,246.35)	(1,959.11)	(2,213.48)	(1,277.15)	(1,081.26)
Total	**(678.56)**	**(124.47)**	**(290.12)**	**726.90**	**1,101.03**

Note 23- Other Non Current Liabilities

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Deferred Revenue Grant	4.25	5.13	4.79	5.46	6.63
Liability for water charges	1,940.19	1,434.99	1,571.12	1,147.77	655.09
Creditors for Capital goods & Services	154.74	1,019.09	1,051.03	708.39	90.09
Total	**2,099.18**	**2,459.21**	**2,626.94**	**1,861.62**	**751.81**

Note 24 - Lease Liabilities

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Non Current Lease Liability	56.71	61.08	59.49	61.40	33.23
Current Lease Liability	4.71	4.64	4.86	3.85	0.97
Total	**61.42**	**65.72**	**64.35**	**65.25**	**34.20**

Note 25 - Short-Term Borrowings

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Secured					
Loans Repayable on Demand					
Working Capital- Foreign Currency loan	1,872.30	815.49	160.44	128.32	74.45
Working capital - Demand loan	2,538.11	3,049.72	3,202.01	1,429.59	-
Working capital - Cash credit	421.22	648.96	3,623.63	2,351.29	1,817.39
Suppliers credit against import LC	937.48	927.92	803.90	-	383.10
From body corporate	932.53	-	-	-	-
Unsecured					
Collateralised borrowing bill discounting	121.40	735.78	1,421.30	518.48	511.61
Total	**6,823.04**	**6,177.87**	**9,211.28**	**4,427.68**	**2,786.55**

Lender	Nature of Facility	Amount Outstanding as at 31 December 2020 (₹ in millions)	Rate of Interest during the year	Repayment Terms	Security /Principal terms and Condition
HDFC BANK	Short Tem Loan (Unecured)	250.00	5.00%	Repayable on demand	Refer Note
ICICI BANK	Short Tem Loan (Unecured)	300.00	5.10%	Repayable on demand	Refer Note
SBI	Cash Credit + WCDL (Secured)	968.79	1 YEAR MCLR + 0.75% per annum	Repayable on demand	Refer Note
HDFC BANK	Cash Credit + WCDL (Secured)	468.67	1 YEAR MCLR	Repayable on demand	Refer Note
AXIS BAK	Cash Credit + WCDL (Secured)	641.91	3M MCLR + 0.40% p.a	Repayable on demand	Refer Note
ICICI BANK	Cash Credit + WCDL (Secured)+Unscured	1,107.14	6M MCLR + 0.35%	Repayable on demand	Refer Note
BANK OF BARODA	Cash Credit + WCDL (Secured)	273.01	1 YEAR MCLR + 0.10%	Repayable on demand	Refer Note
Oriental Bank of Commerce	Cash Credit (Secured)	(10.24)	1 YEAR MCLR + 1.30%	Repayable on demand	Refer Note
Axis Bank PCFC	PCFC	365.27	6 month LIBOR + 50 BPS	Repayable on demand	Refer Note
State Bank of India PCFC	PCFC	247.47	6 month LIBOR + 50 BPS	Repayable on demand	Refer Note
HDFC Bank PCFC	PCFC	219.16	6 month LIBOR + 50 BPS	Repayable on demand	Refer Note
State Bank of India	Bill Discounting (Secured)	118.56	6% - 6.5%	Repayable on demand	Refer Note
ICICI Bank Ltd.	Bill Discounting (Secured)	2.84	5.50%	Repayable on demand	Refer Note
Various Bank	Suppliers credit against Import LC (Secured)	937.48		Repayable on demand	Refer Note
IDFC BANK	Cash Credit + WCDL (Secured)	0.45	1 YEAR MCLR+0.35%	Repayable on demand	Refer Note
Total (₹ in millions)		**5,890.51**			

Note

Primary Security - 1st charge by way of Hypothecation of stock of Raw Materials, Work-in-Progress, Finished Goods, Stores and Book Debts

Collateral Security

a) 2nd charge on Fixed assets of the Company other than Mangalpur unit.

b) First charge on entire moveable fixed assets of the Company (Mangalpur unit) other than vehicles and other moveable fixed assets specifically charged, on pari-passu basis with other working capital lenders

c) 1st pari passu charge by way of equitable mortgage of factory Land & Building of Mangalpur unit admeasuring 10 acres.

(All amount in Indian Rupees Million, unless otherwise stated)

Note 26 - Trade Payables

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Due to micro, small and medium enterprises	5.22	26.04	33.49	-	-
Due to others	3,532.88	5,280.40	4,990.36	3,106.10	4,471.18
Total	**3,538.10**	**5,306.44**	**5,023.85**	**3,106.10**	**4,471.18**

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Principal amount outstanding as at end of year	4.65	26.04	33.49	-	-
Principal amount overdue more than 45 days	3.74	9.98	7.22	-	-
Interest due and unpaid as at end of year	0.57	1.08	0.22	-	-
Interest accrued and remaining unpaid as at end of year	0.57	1.08	0.22	-	-

(a) Trade Payable are payable on account of goods purchased and services availed in the normal course of business.

(b) Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 2nd October 2006, certain disclosures are required to be maid relating to Micro, Small and Medium Enterprises. On the basis of the information and records available with the management, the amount due to Micro, Small and Medium Enterprises, to whom the company owes dues (including interest on outstanding dues) which are outstanding as at balance sheet date is INR 5.22 millions and interest on amount due for more than 45 days is INR 0.57 millions.

Note 27 - Other financial liabilities

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Current maturities of long term debts	213.65	684.71	580.38	660.68	837.24
Retention money	63.35	43.85	48.59	37.52	-
Bank Overdraft	-	-	0.02	0.02	0.17
Interest accrued but not due on borrowings	7.78	7.77	27.26	16.57	26.00
Creditor for capital goods	180.19	493.85	561.55	-	-
MTM Payables	-	-	14.15	-	-
Trade deposits	154.17	152.05	152.05	152.05	-
Derivative liability	-	-	-	-	159.89
Employee related payables	152.05	142.30	161.44	143.64	52.24
Total	**771.19**	**1,524.53**	**1,545.44**	**1,010.48**	**1,075.54**

Note 28 - Other current liabilities

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Statutory dues	258.30	282.97	175.63	123.64	225.92
Advance from customers	956.00	1,293.85	399.39	354.50	1,107.41
Advance from Related Parties	2.03	1.90	2.70	-	14.19
Deferred Revenue Grant	0.75	0.75	0.84	1.17	1.17
Other payable	1,003.24	1,067.44	696.86	1,285.43	4.11
Total	**2,220.32**	**2,646.91**	**1,275.42**	**1,764.74**	**1,352.80**

Note 29 - Provisions

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Provision for Employee Benefits - Gratuity	6.04	8.31	5.44	4.78	4.34
Provision for Renewable Energy Cess	268.83	164.21	-	-	-
Provision for Employee Benefits - Leave	0.17	0.11	0.14	0.12	-
Total	**275.04**	**172.63**	**5.58**	**4.90**	**4.34**

Note 30 - Current Tax Liabilities

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Provision for tax (Net of advances)	244.56	-	-	-	324.78
Total	**244.56**	-	-	-	**324.78**

(All amount in Indian Rupees Million, unless otherwise stated)

Note 31 - Revenue From Operations

Particulars	For the period ended 31st December 2020	For the period ended 31st December 2019	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
Operating revenue					
- Sale of manufactured products	38,768.04	31,661.43	41,838.80	44,320.23	35,951.14
- Sale of services	469.44	765.21	1,027.82	1,308.16	984.95
- Sale of traded goods	40.59	278.55	608.11	263.20	1,380.30
- Sale of Power	29.39	38.76	43.76	41.85	37.92
- By Product	23.38	86.82	110.20	130.25	71.21
- Income from Carbon Credit	-	0.17	0.17	0.26	0.14
Total	**39,330.84**	**32,830.94**	**43,628.86**	**46,063.95**	**38,425.66**

Note 32 - Other Income

Particulars	For the period ended 31st December 2020	For the period ended 31st December 2019	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
Operating Income					
Incentives Received	134.73	95.79	134.60	294.16	216.84
Non- operating Income					
Recurring Income					
Interest received on financial assets carried at amortised cost					
- Deposits	49.10	45.52	51.62	50.36	34.67
- Loans	8.32	2.44	8.02	72.97	15.99
- Bond	3.04	1.70	-	-	-
- Others	-	0.35	0.37	-	-
Profit/Loss on sale of investments	-	-	18.37	73.33	58.02
Interest from AIF/ Bond	11.88	10.05	-	-	-
Gain on Fair Value of investments carried at Fair Value through Amortised Cost					
- Bond	0.50	-	-	-	-
Gain from fair valuation of investments carried at fair value through Profit and					
- Mutual Fund	66.36	64.72	10.58	23.26	39.78
Commission Income	-	6.42	6.42	-	-
Rent	13.72	13.77	18.49	-	-
Fair Value Profit on Forward Contracts	55.37	-	-	-	-
Dividend received	0.74	6.35	6.63	205.58	24.60
Provision written back as per expected credit loss model	3.01	-	-	36.55	47.40
Profit on sales of Property, Plant and Equipment	-	-	2.63	0.49	-
Insurance claim received	4.03	10.29	13.98	13.93	2.28
Provision no longer required written back	111.29	45.85	46.37	-	-
Exchange Gain Fluctuation (net)	158.39	29.27	-	-	244.72
Others	5.00	1.02	6.08	11.02	94.03
Total	**625.48**	**333.54**	**324.16**	**781.65**	**778.33**
Other Non Operating Income % to Profit Before Tax	**9.70%**	**10.73%**	**6.42%**	**6.38%**	**10.90%**

Note 33 - Cost of Material Consumed

Particulars	For the period ended 31st December 2020	For the period ended 31st December 2019	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
Opening stock	11,337.00	4,926.79	4,926.79	3,599.71	2,527.85
Add: Purchases	21,508.46	24,907.50	35,242.56	31,104.92	24,464.29
	32,845.46	**29,834.29**	**40,169.35**	**34,704.63**	**26,992.14**
Less: Sales	354.76	580.48	1,650.11	1,950.12	424.52
Less: Closing Stock	8,117.10	8,033.31	11,337.00	4,926.79	3,599.71
Total	**24,373.60**	**21,220.50**	**27,182.24**	**27,827.72**	**22,967.91**

Shyam Metalics and Energy Limited
CIN: U40101WB2002PLC095491
(All amount in Indian Rupees Million, unless otherwise stated)
Annexure V
Notes to Restated Consolidated Ind AS Summary Statements

Note 34 - Changes in inventories

Particulars	For the period ended 31st December 2020	For the period ended 31st December 2019	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
Opening Stock					
Finished Goods	2,403.03	1,458.74	1,458.74	1,562.07	950.27
Consignment Stock	-	-	-	-	141.83
Traded Goods	84.40	40.72	40.72	1.92	21.98
Work in Progress	24.85	29.19	29.19	2.40	3.07
By Products	371.15	344.68	344.68	80.97	5.67
	2,883.43	**1,873.33**	**1,873.33**	**1,647.36**	**1,122.82**
Closing Stock					
Finished Goods	2,400.88	2,140.85	2,403.03	1,458.74	1,562.07
Consignment Stock	-	-	-	-	-
Traded Goods	43.33	203.92	84.40	40.72	1.92
Work in Progress	26.55	30.00	24.85	29.19	2.40
By Products	278.58	238.15	371.15	344.68	80.97
	2,749.34	**2,612.92**	**2,883.43**	**1,873.33**	**1,647.36**
Add:Stock Transfer on demerger	**-**	**24.79**	**24.79**	**25.23**	**19.12**
(Increase)/ Decrease in Inventories	**134.09**	**(764.38)**	**(1,034.89)**	**(251.20)**	**(543.66)**

Note 35 - Employee benefits expense

Particulars	For the period ended 31st December 2020	For the period ended 31st December 2019	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
Salaries and Wages	1,162.35	1,133.85	1,558.42	1,345.85	975.66
Contribution to provident and other funds	55.69	66.09	84.37	49.51	66.23
Staff welfare	29.31	29.59	40.76	54.89	22.57
Total	**1,247.35**	**1,229.53**	**1,683.55**	**1,450.25**	**1,064.46**

a) During the year the group recognised an amount of Rs 61.04 Millions (Period ended 31st Dec 2019: Rs 63.88 millions, 2019-20 :Rs 81.76 millions 2018-19: Rs 164.53 millions and 2017-18 : Rs 24.22 millions) as remuneration to key managerial Personnel. The details of such remuneration is a below:

Payment to Key Managerial Personnel

Particulars	For the period ended 31st December 2020	For the period ended 31st December 2019	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
(a) Short -term employees Benefits	56.52	59.57	75.28	133.39	23.70
(b) Post- employement benefits	4.52	4.31	6.48	4.14	0.28
(c) Other long-term benefits	-	-	-	27.00	0.24
Total	**61.04**	**63.88**	**81.76**	**164.53**	**24.22**

(All amount in Indian Rupees Million, unless otherwise stated)

Note 36 - Finance Costs

Particulars	For the period ended 31st December 2020	For the period ended 31st December 2019	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
Interest Expense					
- On Borrowings	401.61	462.66	608.97	470.55	385.90
Exchange difference to the extent considered as an adjustment to borrowing	3.21	2.89	34.21	9.34	6.25
Other Borrowing Costs	153.62	143.11	215.66	164.45	96.43
Total	**558.44**	**608.66**	**858.84**	**644.34**	**488.58**

Note 37 - Depreciation and Amortisation

Particulars	For the period ended 31st December 2020	For the period ended 31st December 2019	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
Depreciation	2,190.15	2,031.01	2,952.19	1,936.12	2,142.86
Depreciation on Right of use assets	7.92	1.55	10.45	6.05	5.46
Amortisation	1.63	2.75	3.85	3.59	2.15
Total	**2,199.70**	**2,035.31**	**2,966.49**	**1,945.76**	**2,150.47**

Note 38 - Other Expenses

Particulars	For the period ended 31st December 2020	For the period ended 31st December 2019	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
Rent & Hire	218.61	237.59	334.47	266.20	139.03
Rates and taxes	671.36	550.44	778.56	678.16	835.18
Power, fuel and electricity	1,637.55	1,639.00	2,471.35	1,472.54	967.42
Consumption of stores and spares parts	2,542.70	2,340.39	2,860.83	2,707.11	1,957.84
Repairs					
Building	17.41	74.47	89.45	104.16	40.28
Machinery	68.89	118.11	160.85	124.43	151.77
Others	33.47	63.16	87.58	56.53	74.41
Insurance	27.54	39.64	42.69	21.43	16.66
Commission and brokerage	66.47	138.31	176.38	113.16	115.00
Advertisement and publicity	48.95	55.32	69.91	52.84	27.84
Legal and Professional Fees	62.90	93.06	124.23	61.63	55.03
Charity and donations	0.89	1.05	1.21	30.96	1.16
Loss on sale of fixed assets	-	1.08	-	-	125.45
Allowances for credit losses	-	11.73	25.23	-	-
Loss on sale of Investments measured at fair value	-	2.76	2.86	211.67	-
Loss on Fair Value of investments carried at Fair Value through Amortised - Bond	-	3.37	-	-	-
Loss on Fair Value of investments carried at Fair Value through Profit & Loss - Equity Instrument	-	-	-	-	0.79
Labour charges	520.06	487.48	702.95	574.39	520.41
Loss on Forward Contracts(Net)	-	8.08	14.15	54.65	-
Freight	90.02	107.51	165.14	227.23	107.98
Payment to auditor (Refer Note 47)	1.96	1.55	3.10	2.69	2.28
Corporate Social Responsibility (Refer Note 52)	26.40	48.65	66.66	37.77	15.20
Exchange Gain Fluctuation (net)	-	-	134.31	158.07	-
Irrecoverable Debts, Claims and Advances Written Off	-	-	-	67.81	83.22
Miscellaneous expenses	301.14	260.04	397.98	280.48	453.01
Total	**6,336.32**	**6,282.79**	**8,709.89**	**7,303.91**	**5,689.96**

Note 39 - Tax expenses

Particulars	For the period ended 31st December 2020	For the period ended 31st December 2019	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
Current tax	917.43	466.75	574.48	1,663.07	1,395.08
Less : Deferred tax	361.75	799.12	764.62	161.12	1,096.65
Less : Minimum alternate tax credit entitlement	56.28	50.26	258.52	230.81	404.96
Total	**499.40**	**(382.63)**	**(448.66)**	**1,271.14**	**(106.53)**

(All amount in Indian Rupees Million, unless otherwise stated)

Note 40 - Earnings per Equity Share

The Company's Earnings Per Share (EPS) is determined on the basis of the net profit / (loss) attributable to the shareholders of the company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year/period. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during that year/period including share options, except where the result would be anti-dilutive.

Particulars	For the period ended 31st December 2020	For the period ended 31st December 2019	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
Net Profit / (Loss) attributable to equity shareholders					
Profit / (Loss) after tax	4,563.23	2,605.73	3,403.41	6,041.25	4,243.66
Nominal value of equity share (₹)	10.00	10.00	10.00	10.00	10.00
Weighted-average number of equity shares for basic & Diluted EPS*	23,36,10,100	23,36,10,100	23,36,10,100	23,36,10,100	23,36,10,100
Basic & Diluted earnings per share * (₹)	19.53	11.15	14.57	25.86	18.17

*During March'2018 the EPS has been calculated after taking the effect of bonus shares issued on 20th June 2018.

Note 41 - Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

Useful Life

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using other valuation techniques. The input to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Note 42 - Commitments & Contingent Liabilities

(a) Capital commitments

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Estimated amount of contracts remaining to be executed and not provided for (Net of Advances)	1,420.02	1,860.63	1,774.66	1,223.95	1,624.25

(b) Contingent Liabilities & Guarantees

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Unredeemed Bank Guarantees on behalf of the joint venture company	20.02	20.02	20.02	20.02	20.02
Other Unredeemed Bank Guarantees	1,263.08	2,056.79	415.39	360.30	282.48
Bills discounted with banks	367.18	203.38	195.54	75.07	1,062.91
i. Excise Duty	1,096.74	1,119.75	1,119.75	1,052.18	616.93
ii. Service Tax	3.88	1.38	1.38	1.38	32.52
iii. Custom Duty	46.93	49.32	49.32	47.00	9.90
iv. Sales Tax	243.36	243.36	243.36	238.70	232.56
vi. ESI	1.39	1.39	1.39	1.39	1.39
Total	**3,042.58**	**3,695.39**	**2,046.15**	**1,796.04**	**2,258.71**

Based on discussion with the solicitors / favourable decisions in similar cases / legal opinion taken by the Company, the management believes that the Company has good chance of success in above mentioned cases and hence no provision there against is considered necessary.

(All amount in Indian Rupees Million, unless otherwise stated)

Note 43 - Employee Benefit Obligations

Particulars	Current				
	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Gratuity	6.04	8.31	5.44	4.78	4.34
Total	**6.04**	**8.31**	**5.44**	**4.78**	**4.34**

Particulars	Non-current				
	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Gratuity	95.26	96.51	80.33	58.40	57.82
Total	**95.26**	**96.51**	**80.33**	**58.40**	**57.82**

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

The average duration of the defined benefit plan obligation at the end of the reporting period is 7.01 years (31st March 2020 - 6.39 years, 31st December 2019 - 5.50 years, 31st March 2019 - 6.39 years and 31st March 2018 - 5.65 years)

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Changes in defined benefit obligation	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Present Value Obligation as at start of the year	85.77	63.18	63.17	60.83	39.34
Interest Cost	4.52	3.67	4.55	4.56	2.96
Current Service Cost	14.35	15.35	16.93	12.18	15.73
Benefits paid	(1.96)	(4.61)	(5.37)	(3.13)	(2.34)
Acturial loss/(gain) on obligations	(1.39)	27.24	6.48	(11.26)	6.47
Present value obligation as at the end of the year	**101.29**	**104.83**	**85.76**	**63.18**	**62.16**

Breakup of Actuarial gain/loss:

Description	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Actuarial (gain)/loss on arising from change in demographic assumption	-	-	-	-	-
Actuarial (gain)/loss on arising from change in financial assumption	2.95	7.03	7.73	1.67	0.23
Actuarial (gain)/loss on arising from experience adjustment	(4.34)	20.21	(1.25)	(12.93)	6.24

Amount recognized in the statement of profit and loss

Description	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Current service cost	14.35	15.35	16.93	12.18	15.73
Past Service Cost	-	-	-	-	-
Interest cost	4.52	3.67	4.55	4.56	2.96
Expected return on plan assets	-	-	-	-	-
Amount recognised in the statement of profit and loss	**18.87**	**19.02**	**21.48**	**16.74**	**18.69**

Amount recognised in the statement of Other Comprehensive Income

Description	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Net Cumulative unrecognised actuarial gain/(loss) opening	-	-	-	-	-
Actuarial Gain/(Loss) for the year on Plan Benefit Obligation	(1.39)	27.24	6.48	(11.26)	6.47
Actuarial Gain/(Loss) for the year on Asset	-	-	-	-	-
Unrecognised actuarial Gain/(Loss) at the end of the year	**(1.39)**	**27.24**	**6.48**	**(11.26)**	**6.47**

(All amount in Indian Rupees Million, unless otherwise stated)

Reconciliation of present value of defined benefit obligation and the fair value of plan assets

Description	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Present value obligation as at the end of the year	101.30	104.83	85.77	63.18	62.16
Fair value of plan assets as at the end of the year	-	-	-	-	-
Net (asset)/ liability recognized in balance sheet	**101.30**	**104.83**	**85.77**	**63.18**	**62.16**

Actuarial Assumptions

Description	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Discount rate	6.70% p.a	7.10% p.a	7.70% p.a	7.75% - 7.50%	7.75% - 7.50%
Future salary increase	5.50% p.a	5.50% p.a	5.50% p.a	5.50% - 6.00%	5.50% - 6.00%

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Sensitivity analysis for gratuity liability
The Sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occuring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant acturial assuptions , holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Description	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Impact of the change in discount rate					
Present value of obligation at the end of the year	101.30	104.83	85.77	63.18	62.16
a) Impact due to increase of 1.00 %	91.99	95.45	84.91	62.55	61.54
b) Impact due to decrease of 1.00 %	112.22	115.82	86.63	63.81	62.78
Impact of Change in Withdrawal Rate					
Present value of obligation at the end of the year	101.30	104.83	85.77	63.18	62.16
a) Impact due to increase of 1.00 %	101.54	105.50	41.96	29.98	34.07
b) Impact due to decrease of 1.00 %	100.96	104.00	41.30	29.13	33.07
Impact of the change in salary increase					
Present value of obligation at the end of the year	101.30	104.83	85.77	63.18	62.16
a) Impact due to increase of 1.00 %	112.50	109.44	86.63	63.81	62.78
b) Impact due to decrease of 1.00 %	91.61	107.54	84.91	62.55	61.54

Shyam Metalics and Energy Limited

CIN: U40101WB2002PLC095491

(All amount in Indian Rupees Million, unless otherwise stated)

Annexure V

Notes to Restated Consolidated Ind AS Summary Statements

Note 44 - Financial Instruments by Category

For amortised cost instruments, carrying value represents the best estimate of fair value.

Particulars	As at 31st December 2020				As at 31st December 2019				As at 31st March 2020			
	FVTPL	FVOCI	Amortised cost	Total	FVTPL	FVOCI	Amortised cost	Total	FVTPL	FVOCI	Amortised cost	Total
Financial assets												
Investments in equity instruments	1.46	614.65	-	616.11	1.46	560.25	-	561.71	1.46	567.85	-	569.31
Investments in mutual funds	794.32	-	-	794.32	589.81	-	-	589.81	603.61	-	-	603.61
Investments in Debentures	97.87	-	49.49	147.36	98.23	-	48.89	147.12	97.41	-	48.99	146.40
Trade receivables	-	-	2,436.86	2,436.86	-	-	2,969.44	2,969.44	-	-	2,590.18	2,590.18
Loans	-	-	157.87	157.87	-	-	221.71	221.71	-	-	41.83	41.83
Security deposit	-	-	61.67	61.67	-	-	64.62	64.62	-	-	53.05	53.05
Cash and equivalents	-	-	153.58	153.58	-	-	218.60	218.60	-	-	296.96	296.96
Other financial asset	-	-	680.67	680.67	-	-	653.91	653.91	-	-	608.48	608.48
Investment in Government Securities	-	-	1.04	1.04	-	-	1.04	1.04	-	-	1.04	1.04
Derivative financial Assets	-	-	-	-	-	-	-	-	-	-	-	-
Margin money	-	-	2,076.21	2,076.21	-	-	782.09	782.09	-	-	1,323.02	1,323.02
Total	**893.65**	**614.65**	**5,617.39**	**7,125.69**	**689.50**	**560.25**	**4,960.30**	**6,210.05**	**702.48**	**567.85**	**4,963.55**	**6,233.88**
Financial liabilities												
Borrowings	-	-	8,862.92	8,862.92	-	-	10,410.33	10,410.33	-	-	13,304.78	13,304.78
Trade payable	-	-	3,538.10	3,538.10	-	-	5,306.44	5,306.44	-	-	5,023.85	5,023.85
Security deposit received	-	-	200.37	200.37	-	-	164.36	164.36	-	-	198.81	198.81
Lease Liabilities	-	-	61.42	61.42	-	-	65.72	65.72	-	-	64.35	64.35
Derivative financial liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Other financial liabilities	-	-	557.54	557.54	-	-	839.81	839.81	-	-	965.06	965.06
Total	**-**	**-**	**13,220.35**	**13,220.35**	**-**	**-**	**16,786.66**	**16,786.66**	**-**	**-**	**19,556.85**	**19,556.85**

Particulars	As at 31st March 2019				As at 31st March 2018			
	FVTPL	FVOCI	Amortised	Total	FVTPL	FVOCI	Amortised	Total
Financial assets								
Investments in equity	1.46	540.04	-	541.50	1.46	478.67	-	480.13
Investments in mutual funds	1,985.98	-	-	1,985.98	1,253.62	-	-	1,253.62
Investments in Debentures	48.52	-	-	48.52	66.54	-	-	66.54
Trade receivables	-	-	2,129.06	2,129.06	-	-	3,687.15	3,687.15
Loans	-	-	474.06	474.06	-	-	60.24	60.24
Security deposit	-	-	-	-	-	-	-	-
Cash and equivalents	-	-	98.95	98.95	-	-	81.25	81.25
Other financial asset	-	-	686.23	686.23	-	-	702.83	702.83
Investment in Government	-	-	1.04	1.04	-	-	0.77	0.77
Derivative financial Assets	50.00	-	-	50.00	10.07	-	-	10.07
Margin money	-	-	954.42	954.42	-	-	490.01	490.01
Total	**2,085.96**	**540.04**	**4,343.76**	**6,969.76**	**1,331.69**	**478.67**	**5,022.25**	**6,832.61**
Financial liabilities								
Borrowings	-	-	7,221.14	7,221.14	-	-	5,641.03	5,641.03
Trade payable	-	-	3,106.10	3,106.10	-	-	4,471.18	4,471.18
Security deposit received	-	-	423.21	423.21	-	-	93.69	93.69
Lease Liabilities	-	-	65.25	65.25	-	-	34.20	34.20
Derivative financial liabilities	-	-	-	-	159.89	-	-	159.89
Other financial liabilities	-	-	349.80	349.80	-	-	238.30	238.30
	-	**-**	**11,165.50**	**11,165.50**	**159.89**	**-**	**10,478.40**	**10,638.29**

(All amount in Indian Rupees Million, unless otherwise stated)

(a) Fair Value hierarchy

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Financial assets					
Financial Investments at FVOCI					
Equity Instruments	614.65	560.25	567.85	540.04	478.67
Financial Investments at FVTPL	-	-	-	-	-
Equity Instruments	1.46	1.46	1.46	1.46	1.46
Mutual Fund	794.32	589.81	603.61	1,985.98	1,253.62
Derivative financial assets	-	-	-	50.00	10.07
Debentures	97.87	98.23	97.41	48.52	66.54
Financial Investments at Amortised Cost	-	-	-	-	-
Equity Instruments	-	-	-	-	-
Total Financial Assets	**1,508.30**	**1,249.75**	**1,270.33**	**2,626.00**	**1,810.36**
Financial liabilities					
Derivative financial liabilities	-	-	-	-	159.89
Total	**-**	**-**	**-**	**-**	**159.89**

Financial assets and liabilities measured at fair value and amortised cost for which fair values are disclosed

Particulars	As at 31st December 2020			As at 31st December 2019			As at 31st March 2020			As at 31st March 2019			As at 31st March 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investments															
Mutual funds	794.32	-	-	589.81	-	-	603.61	-	-	1,985.98	-	-	1,253.62	-	-
Debentures	97.87	-	-	98.23	-	-	97.41	-	-	48.52	-	-	66.54	-	-
Quoted equity instruments	1.46	-	-	1.46	-	-	1.46	-	-	1.46	-	-	1.46	-	-
Unquoted equity instruments	-	614.65	1.46	-	560.25	1.46	-	567.85	1.46	-	540.04	1.46	-	478.67	1.46
Investment in Government Securities	-	-	1.04	-	-	1.04	-	-	1.04	-	-	1.04	-	-	0.77
Derivative financial assets	-	-	-	-	-	-	-	-	-	50.00	-	-	10.07	-	-
Total financial assets	**893.65**	**614.65**	**2.50**	**689.50**	**560.25**	**2.50**	**702.48**	**567.85**	**2.50**	**2,085.96**	**540.04**	**2.50**	**1,331.69**	**478.67**	**2.23**
Financial liabilities															
Borrowings	-	-	8,862.92	-	-	10,410.33	-	-	13,304.78	-	-	7,221.14	-	-	5,641.03
Lease Liabilities	-	-	61.42	-	-	65.72	-	-	64.35	-	-	65.25	-	-	34.20
Derivative financial liabilities	-	-	-	-	-	-	-	-	-	-	-	-	159.89	-	-
Total	**-**	**-**	**8,924.34**	**-**	**-**	**10,476.05**	**-**	**-**	**13,369.13**	**-**	**-**	**7,286.39**	**159.89**	**-**	**5,675.23**

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

(All amount in Indian Rupees Million, unless otherwise stated)

Particulars	As at 31st December 2020		As at 31st December 2019		As at 31st March 2020		As at 31st March 2019		As at 31st March 2018	
	Carrying	Fair value	Carrying	Fair value	Carrying	Fair value	Carrying	Fair value	Carrying	Fair value
Financial assets										
Carried at FVOCI										
Investments in equity instruments	614.65	614.65	560.25	560.25	567.85	567.85	540.04	540.04	478.67	478.67
Carried at amortised cost										
Trade receivables	2,436.86	2,436.86	2,969.44	2,969.44	2,590.18	2,590.18	2,129.06	2,129.06	3,687.15	3,687.15
Loans	157.87	157.87	221.71	221.71	41.83	41.83	474.06	474.06	60.24	60.24
Security deposit	61.67	61.67	64.62	64.62	53.05	53.05	-	-	-	-
Cash and equivalents	153.58	153.58	218.60	218.60	296.96	296.96	98.95	98.95	81.25	81.25
Other financial asset	680.67	680.67	653.91	653.91	608.48	608.48	686.23	686.23	702.83	702.83
Margin money	2,076.21	2,076.21	782.09	782.09	1,323.02	1,323.02	954.42	954.42	490.01	490.01
Investment in Government Securities	1.04	1.04	1.04	1.04	1.04	1.04	1.04	1.04	0.77	0.77
Carried at FVTPL										
Investments in equity instruments	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46
Investments in mutual funds	794.32	794.32	589.81	589.81	603.61	603.61	1,985.98	1,985.98	1,253.62	1,253.62
Derivative financial assets	-	-	-	-	-	-	50.00	50.00	10.07	10.07
Investments in debentures	97.87	97.87	98.23	98.23	97.41	97.41	48.52	48.52	66.54	66.54
Total financial assets	**7,076.20**	**7,076.20**	**6,161.16**	**6,161.16**	**6,184.89**	**6,184.89**	**6,969.76**	**6,969.76**	**6,832.61**	**6,832.61**
Financial liabilities										
Carried at amortised cost										
Borrowings	8,862.92	8,862.92	10,410.33	10,410.33	13,304.78	13,304.78	7,221.14	7,221.14	5,641.03	5,641.03
Trade payable	3,538.10	3,538.10	5,306.44	5,306.44	5,023.85	5,023.85	3,106.10	3,106.10	4,471.18	4,471.18
Security deposit	200.37	200.37	164.36	164.36	198.81	198.81	423.21	423.21	93.69	93.69
Lease Liabilities	61.42	61.42	65.72	65.72	64.35	64.35	65.25	65.25	34.20	34.20
Other financial liabilities	557.54	557.54	839.81	839.81	965.06	965.06	839.81	839.81	238.30	238.30
Carried at FVTPL										
Derivative financial liabilities	-	-	-	-	-	-	-	-	159.89	159.89
Total financial liabilities	**13,220.35**	**13,220.35**	**16,786.66**	**16,786.66**	**19,556.85**	**19,556.85**	**11,655.51**	**11,655.51**	**10,638.29**	**10,638.29**

(c) Fair value measurements

(i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(ii) Derivatives are fair valued using market observable rates and published prices together with forecasted cash flow information where applicable.

(iii) Investments carried at fair value are generally based on market price quotations. Costs of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

(iv) Fair value of borrowings which have a quoted market price in an active market is based on its market price which is categorised as level 1. Fair value of borrowings which do not have an active market or are unquoted is estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return adjusted for credit spread considered by lenders for instruments of similar maturities which is categorised as level 2 in the fair value hierarchy.

(v) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Group could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(vi) There have been no transfers between Level 1 and Level 2 for the period ended 31st December, 2020 and 31st December, 2019 and 31st March, 2019 and 31st March, 2019 and 31st March, 2018

(All amount in Indian Rupees Million, unless otherwise stated)

Note 45 - Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include investments, loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings in foreign currencies.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Variable rate borrowings	6,983.48	9,469.65	12,489.91	7,214.78	5,251.44
Fixed rate borrowings	1,879.44	940.69	814.87	6.36	389.58

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held constant, the Company's profit/(loss) before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Effect on Profit before tax				
	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Increase by 50 basis points	(34.92)	(47.35)	(62.45)	(36.07)	(26.26)
Decrease by 50 basis points	34.92	47.35	62.45	36.07	26.26

b) Foreign currency risks

The Company’s functional currency is Indian Rupees (INR). The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company’s revenue from export markets and the costs of imports, primarily in relation to raw materials. The Company is exposed to exchange rate risk under its trade and debt portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result’s in increase in the Company’s overall debt position in Rupee terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Company’s receivables in foreign currency.

Nature of Item	Currency	As at 31st December 2020		As at 31st December 2019		As at 31st March 2020		As at 31st March 2019		As at 31st March 2018	
		Value In Foreign Currency	Value In INR	Value In Foreign Currency	Value In INR	Value In Foreign Currency	Value In INR	Value In Foreign Currency	Value In INR	Value In Foreign Currency	Value In INR
Buyer's Credit	USD	-	-	-	-	0.34	25.87	-	-	5.89	-
Creditors	USD	2.32	169.39	-	-	27.86	2,100.39	29.67	1,285.77	31.98	2,080.11
Supplier's Credit	USD	11.92	870.81	3.78	269.19	-	-	11.08	766.70	-	-
Supplier's Credit	EURO	0.74	66.67	-	-	-	-	-	-	-	-
Debtors	USD	5.57	407.12	4.82	343.67	2.71	204.10	1.34	92.45	23.33	1,517.58
Debtors	EURO	-	-	-	-	-	-	0.76	58.67	5.12	411.47
Term Loan	USD	0.75	54.79	5.59	398.24	7.89	594.87	14.20	982.64	26.22	1,617.80
Term Loan	EURO	13.40	1,203.65	-	-	-	-	-	-	-	-
Interest Accrued but not due	USD	0.03	2.01	0.11	7.65	-	-	0.22	15.16	-	-
Interest Accrued but not due	EURO	0.00	0.08	-	-	-	-	-	-	-	-
Working Capital Demand Loan / Packing Credit	USD	11.39	831.90	-	-	-	-	5.99	414.53	5.69	370.52

(All amount in Indian Rupees Million, unless otherwise stated)

Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Company's profit/(loss) before tax is due to changes in the fair value of monetary assets and liabilities.

Particulars	Effect on Profit/(Loss) before tax				
	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
USD Sensitivity					
Increase by 5%	(1.04)	(0.24)	(1.67)	(3.00)	(2.32)
Decrease by 5%	1.04	0.24	1.67	3.00	2.32

Particulars	Effect on Profit/(Loss) before tax				
	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
EURO Sensitivity					
Increase by 5%	(0.71)	-	-	0.04	0.26
Decrease by 5%	0.71	-	-	(0.04)	(0.26)

c) Credit risk

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

The Company has a policy of dealing only with credit worthy counter parties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments, cash and cash equivalents, derivatives and financial guarantees provided by the Company. None of the financial instruments of the Company result in material concentration of credit risk.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 4913.53, ₹ 4342.72 and ₹ 5190.51 millions , as at March 31, 2020, 2019 and 2018 and for 9 months period was ₹5566.86 and ₹4910.38 millions, as at December 31, 2019 and 2020 respectively , being the total carrying value of trade receivables, balances with bank, bank deposits, investments in debt securities and other financial assets.

(d) Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders.

(i) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount. Any Credit risk is curtailed with arrangements with third parties .

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 44. The Company does not hold collateral as security.

(ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with Company's policy. Investment of surplus funds are made only with approved counterparties . The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2020, 2019 and 2018 and for 9 months period as at December 31, 2019 and 2020 is the carrying amount as illustrated in Note 44.

(B) Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders.

(All amount in Indian Rupees Million, unless otherwise stated)

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments -

Particulars	Upto 1 year	1 to 2 years	3 to 5 years	More than 5 years	Total
Year ended 31st December 2020					
Contractual maturities of borrowings	7,036.68	352.10	775.60	692.10	8,856.48
Contractual maturities of trade payables	3,538.10	-	-	-	3,538.10

Particulars	Upto 1 year	1 to 2 years	3 to 5 years	More than 5 years	Total
Year ended 31st December 2019					
Contractual maturities of borrowings	6,862.58	503.25	1,408.54	1,629.70	10,404.07
Contractual maturities of trade payables	5,306.44	-	-	-	5,306.44

Particulars	Upto 1 year	1 to 2 years	3 to 5 years	More than 5 years	Total
Year ended 31st March 2020					
Contractual maturities of borrowings	9,791.66	1,396.80	1,720.58	389.30	13,298.34
Contractual maturities of trade payables	5,023.85	-	-	-	5,023.85

Particulars	Upto 1 year	1 to 2 years	3 to 5 years	More than 5 years	Total
Year ended 31st March 2019					
Contractual maturities of borrowings	5,088.36	502.16	614.10	1,011.41	7,216.03
Contractual maturities of trade payables	3,106.10	-	-	-	3,106.10

Particulars	Upto 1 year	1 to 2 years	3 to 5 years	More than 5 years	Total
Year ended 31st March 2018					
Contractual maturities of borrowings	3,623.79	232.36	1,260.21	519.91	5,636.27
Contractual maturities of trade payables	4,471.18	-	-	-	4,471.18

Note 45 A - Ind As 116

Company as a Lessee

The Company has lease contracts for land and buildings used in its operations. For Buildings the lease term generally varies between 2 to 5 years and for land it can extend upto 90 years.The Company's obligations under its leases are secured by the lessor's title to the leased assets.

Set out below are the carrying amounts of right-of-use assets recognised and the movement during the period:

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Initial recognition on adoption of Ind AS 116					
Reclassified from Leasehold Land to ROU asset on adoption of Ind AS 116	-	-	-	-	216.12
Opening	427.23	434.73	434.73	233.79	-
Addition during the year					
Leasehold Land	-	-	-	205.51	6.27
Leasehold Building	0.33	2.95	2.95	4.09	28.02
Deletion during the year					
Leasehold Land	-	-	-	2.61	11.16
Leasehold Building	-	-	-	-	-
Depreciation Expense					
Leasehold Land	4.50	3.41	4.54	2.50	2.50
Leasehold Building	3.42	4.36	5.91	3.55	2.96
As at 31st December 2020	**419.64**	**429.91**	**427.23**	**434.73**	**233.79**

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Opening	64.35	65.25	65.25	34.20	-
Addition during the year	0.33	2.95	2.95	31.81	34.29
Add: Finance Cost	2.62	2.88	3.84	3.62	3.29
Less: Rent	5.88	5.36	7.69	4.38	3.38
Closing Balance as on 31st March 2018	**61.42**	**65.72**	**64.35**	**65.25**	**34.20**

(All amount in Indian Rupees Million, unless otherwise stated)

Note 46 - Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company. The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long term and short term bank borrowings and issue of non-convertible debt securities. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Borrowings(Note 19, 25 & 27)	8,862.92	10,410.33	13,304.78	7,221.14	5,641.03
Trade payables(Note 26)	3,538.10	5,306.44	5,023.85	3,106.10	4,471.18
Less: Cash and cash equivalents(Note 11)	153.58	218.60	296.96	98.95	81.25
Less: Current investments(Note 9)	976.36	715.77	715.54	2,054.31	1,331.75
Net debt	**11,271.08**	**14,782.40**	**17,316.13**	**8,173.98**	**8,699.21**
Equity (Note 17)	2,336.10	2,336.10	2,336.10	2,336.10	467.22
Other Equity(Note 18)	30,516.66	25,130.45	25,923.65	22,560.50	18,072.67
	32,852.76	**27,466.55**	**28,259.75**	**24,896.60**	**18,539.89**
Capital and net debt	2.91	1.86	1.63	3.05	2.13
Gearing ratio	25.54%	34.99%	37.99%	24.72%	31.94%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.
Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.
No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 , 31 March 2019 and 31 March 2018 and during 9 months period 31st December 2019 and 31st December 2020.

Note 47 - Statutory Auditors' remuneration (excluding goods and service tax) and expenses :

Particulars	For the period ended 31st December 2020	For the period ended 31st December 2019	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
Statutory Audit Fees	1.76	1.73	2.19	2.19	1.70
Tax Audit Fees	0.23	0.23	0.15	0.15	0.28
Fees for Other Services	0.06	0.07	0.42	0.67	0.27
Total	**2.05**	**2.03**	**2.76**	**3.01**	**2.25**

Note 49 - Additional Information

i) Expenditure in Foreign Currency (on accrual basis)

Particulars	For the period ended 31st December 2020	For the period ended 31st December 2019	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
Travelling expenses	0.00	13.19	1.51	6.23	0.83
Demurrage Charges on Import of Raw Materials	34.11	59.85	43.25	101.65	9.58
Raw Materials	2,403.52	3,678.10	2,775.38	3,899.48	2,241.29
Interest on Loan	19.83	43.61	11.62	61.76	133.98

ii) Earnings in Foreign Currency (on accrual basis)

Particulars	For the period ended 31st December 2020	For the period ended 31st December 2019	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
Exports (F.O.B. value)	4402.94	3181.43	4211.14	7989.23	6,990.52

Note 50. - Reconciliation of Tax Expenses and the Accounting Profit multiplied by applicable Tax rate for respectives period/year.
Effective Tax Reconciliation

Particulars	For the period ended 31st December 2020	For the period ended 31st December 2019	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
Accounting profit before income tax	5,061.10	2,215.64	2,954.39	7,638.65	5,149.40
Enacted tax rate in India	34.94%	34.94%	34.94%	34.94%	34.61%
Computed expected tax expenses	1,768.55	774.24	1,032.39	2,669.25	1,782.21
Tax holidays	(3,070.27)	(3,590.76)	(1,583.19)	(3,921.60)	(1,386.63)
Income exempted from tax	-	(0.62)	(0.62)	(202.38)	(7.93)
Other Adjustments	1,801.13	2,434.51	102.76	2,725.86	(494.18)
Income Tax recognised in Profit and Loss account	**499.41**	**(382.63)**	**(448.66)**	**1,271.13**	**(106.53)**

Note 51 - Details of CSR expenditure:
Expenditure towards Corporate Social Responsibility as per Companies Act, 2013 read with Rules and Regulations thereof is treated as an appropriation of profit.
For The Period Ended 31st December 2020

Particulars	Amount	In cash	Yet to be paid in cash	Total
Gross amount required to be spent by the Company during the year	-	-	-	80.88
Amount Spent during the year towards activities specified	26.40	26.40	-	26.40
i) Construction/ acquisition of any assets	-	-	-	-
ii) On purpose other than (i) above	26.40	26.40	-	26.40

For The Period Ended 31st December 2019

Particulars	Amount	In cash	Yet to be paid in cash	Total
Gross amount required to be spent by the Company during the year	-	-	-	67.03
Amount Spent during the year towards activities specified	48.65	48.65	-	48.65
i) Construction/ acquisition of any assets	-	-	-	-
ii) On purpose other than (i) above	48.65	48.65	-	48.65

For The Year Ended 31st March 2020

Particulars	Amount	In cash	Yet to be paid in cash	Total
Gross amount required to be spent by the Company during the year	-	-	-	89.38
Amount Spent during the year towards activities specified	66.66	66.66	-	66.66
i) Construction/ acquisition of any assets	-	-	-	-
ii) On purpose other than (i) above	66.66	66.66	-	66.66

For The Year Ended 31st March 2019

Particulars	Amount	In cash	Yet to be paid in cash	Total
Gross amount required to be spent by the Company during the year	-	-	-	37.75
Amount Spent during the year towards activities specified	37.77	37.77	-	37.77
i) Construction/ acquisition of any assets	-	-	-	-
ii) On purpose other than (i) above	37.77	37.77	-	37.77

For The Year Ended 31st March 2018

Particulars	Amount	In cash	Yet to be paid in cash	Total
Gross amount required to be spent by the Company during the year	-	-	-	3.61
Amount Spent during the year towards activities specified	15.20	15.20	-	15.20
i) Construction/ acquisition of any assets	-	-	-	-
ii) On purpose other than (i) above	15.20	15.20	-	15.20

Note 52 - Value of imports calculated on CIF Basis **(₹ in millions)**

Particulars	For the period ended 31st December 2020	For the period ended 31st December 2019	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
Raw Materials	2,403.52	3,678.10	5,202.42	7,075.25	5,755.65

Shyam Metalics and Energy Limited
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Annexure V
Notes to Restated Consolidated Ind AS Summary Statements
Note 48 A - Related party disclosure (As per Ind AS-24 - Related Party Disclosures)

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Subsidiary Company	Damodar Aluminium Private Limited Renaissance Hydro Power Private Limited Singhbhum Steel & Power Private Limited Kalinga Infra Projects Limited (w.e.f 19.8.19) Shyam Sel and Power Limited Shyam Ores (Jharkhand) Private Limited (Upto 18.06.2020)	Damodar Aluminium Private Limited Renaissance Hydro Power Private Limited Singhbhum Steel & Power Private Limited Kalinga Infra Projects Limited (w.e.f 19.8.19) Shyam Sel and Power Limited Shyam Ores (Jharkhand) Private Limited	Damodar Aluminium Private Limited Renaissance Hydro Power Private Limited Singhbhum Steel & Power Private Limited Kalinga Infra Projects Limited (w.e.f 19.8.19) Shyam Sel and Power Limited Shyam Ores (Jharkhand) Private Limited	Damodar Aluminium Private Limited Renaissance Hydro Power Private Limited Singhbhum Steel & Power Private Limited Shyam Sel and Power Limited Shyam Ores (Jharkhand) Private Limited	Damodar Aluminium Private Limited Renaissance Hydro Power Private Limited Singhbhum Steel & Power Private Limited Shyam Sel and Power Limited Shyam Business Solutions Private Limited Shyam Ores (Jharkhand) Private Limited
Step-down Subsidiary Company	Hrashva Storage and Warehousing Private Limited Shyam Energy Limited Taurus Estates Private Limited Whispering Developers Private Limited Meadow Housing Private Limited Nirjhar Commodities Pvt. Ltd.(w.e.f 6.9.19) Shree Sikhar Iron & Steel Private Limited	Hrashva Storage and Warehousing Private Limited (w.e.f. 11.04.2019) Shyam Energy Limited Taurus Estates Private Limited Whispering Developers Private Limited Meadow Housing Private Limited Nirjhar Commodities Pvt. Ltd.(w.e.f 6.9.19) Shree Sikhar Iron & Steel Private Limited (w.e.f. 28.6.19)	Hrashva Storage and Warehousing Private Limited Shyam Energy Limited Taurus Estates Private Limited Whispering Developers Private Limited Meadow Housing Private Limited Nirjhar Commodities Pvt. Ltd.(w.e.f 6.9.19) Shree Sikhar Iron & Steel Private Limited	Shyam Energy Limited Taurus Estates Private Limited Whispering Developers Private Limited Meadow Housing Private Limited	Hrashva Storage and Warehousing Private Limited Shyam Energy Limited Taurus Estates Private Limited Whispering Developers Private Limited Meadow Housing Private Limited
Associates	Meghana Vyapar Private Limited Kecons Tradecare Private Limited Kolhan Complex Private Limited	Meghana Vyapar Private Limited Kecons Tradecare Private Limited Kolhan Complex Private Limited	Meghana Vyapar Private Limited Kecons Tradecare Private Limited Kolhan Complex Private Limited	Meghana Vyapar Private Limited Kecons Tradecare Private Limited Nirjhar Commodities Private Limited Kolhan Complex Private Limited	Kecons Tradecare Private Limited Meghana Vyapar Private Limited Kolhan Complex Private Limited
Joint Venture	Kalinga Energy Private Limited MJSJ Coal Limited	Kalinga Energy Private Limited MJSJ Coal Limited	Kalinga Energy Private Limited MJSJ Coal Limited	Kalinga Energy Private Limited MJSJ Coal Limited	Kalinga Energy Private Limited MJSJ Coal Limited
Enterprises over which Key Management Personnel (KMP) are able to exercise control /significant influence with whom there were transactions/ balance during the year:	Platinum Minmet Private Limited Dorite Tracon Private Limited Shyam Solar Appliance Private Limited Narantak Dealcomm Limited Shyam Ferro Alloys Limited Swarnrekha Abasan Private Limited Shyam Emco Infrastructure Limited Sunglow Complex Private Limited Shyam Ores(Jharkhand) Private Limited(w.e.f 18.06.2020) Britasia Hydro Power Private Limited Essel Plywood Private Limited Kalinga Energy & Power Limited Shyam Century Multiprojects Private Limited Elysian Beautification Private Limited (w.e.f. 10.09.2020) Shyam Greenfield Developers Private Limited Sindbad Hydro Power Limited S.S. Natural Resources Private Limited Kalpataru Housefin & Trading Private Limited Improved Realtors Private Limited	Platinum Minmet Private Limited Dorite Tracon Private Limited Shyam Solar Appliance Private Limited Narantak Dealcomm Limited Shyam Ferro Alloys Limited Swarnrekha Abasan Private Limited Shyam Emco Infrastructure Limited Sunglow Complex Private Limited Subham Capital Private Limited Subhlabh Commercials Private Limited Britasia Hydro Power Private Limited Essel Plywood Private Limited Kalinga Energy & Power Limited Shyam Century Multiprojects Private Limited Shyam Greenfield Developers Private Limited Sindbad Hydro Power Limited S.S. Natural Resources Private Limited Kalpataru Housefin & Trading Private Limited Hrashva Storage and Warehousing Private Limited (upto 11.04.2019) Improved Realtors Private Limited	Platinum Minmet Private Limited Dorite Tracon Private Limited Shyam Solar Appliance Private Limited Narantak Dealcomm Limited Shyam Ferro Alloys Limited Swarnrekha Abasan Private Limited Shyam Emco Infrastructure Limited Sunglow Complex Private Limited Subham Capital Private Limited Subhlabh Commercials Private Limited Britasia Hydro Power Private Limited Essel Plywood Private Limited Kalinga Energy & Power Limited Shyam Century Multiprojects Private Limited Shyam Greenfield Developers Private Limited Sindbad Hydro Power Limited S.S. Natural Resources Private Limited Kalpataru Housefin & Trading Private Limited Hrashva Storage and Warehousing Private Limited (upto 11.04.2019) Improved Realtors Private Limited	Platinum Minmet Private Limited Dorite Tracon Private Limited Shyam Solar Appliance Private Limited Godawari Natural Resources Limited Narantak Dealcomm Limited Shyam Ferro Alloys Limited Swarnrekha Abasan Private Limited Shyam Emco Infrastructure Limited Sunglow Complex Private Limited Subham Capital Private Limited Subhlabh Commercials Private Limited Britasia Hydro Power Private Limited Essel Plywood Private Limited Kalinga Energy & Power Limited Shyam Century Multiprojects Private Limited Shyam Greenfield Developers Private Limited Sindbad Hydro Power Limited Karo River pellets Private Limited S.S. Natural Resources Private Limited Kalpataru Housefin & Trading Private Limited Salagram power and steel Private Limited Hrashva Storage and Warehousing Private Limited (w.e.f. 11.02.2019) Improved Realtors Private Limited	Dorite Tracon Private Limited Narantak Dealcomm Limited Platinum Minmet Private Limited Godawari Natural Resources Limited Shyam Solar Appliance Private Limited Shyam Ferro Alloys Limited Suhag Overseas Trading Private Limited Toplight Mercantile Private Limited Subhlabh Commercials Private Limited Subham Capital Private Limited Sunglow Complex Private Limited Britasia Hydro Power Private Limited Essel Plywood Private Limited Kalinga Energy & Power Limited Shyam Century Multiprojects Private Limited Shyam Greenfield Developers Private Limited Sindbad Hydro Power Limited Karo River pellets Private Limited S.S. Natural Resources Private Limited Kalpataru Housefin & Trading Private Limited Shyam Emco Infrastaructure Limited Improved Realtors Private Limited Swarnrekha Abasan Private Limited

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(All amount in Indian Rupees Million, unless otherwise stated)
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Notes to Restated Consolidated Ind AS Summary Statements
Note 48 A - Related party disclosure (As per Ind AS-24 - Related Party Disclosures)

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Key Management Personnel:	Shri Brij Bhushan Agarwal (Managing Director cum vice Chairman)	Shri Brij Bhushan Agarwal (Managing Director cum vice Chairman)	Shri Brij Bhushan Agarwal (Managing Director cum vice Chairman)	Shri Brij Bhushan Agarwal (Managing Director cum vice Chairman)	Shri Brij Bhushan Agarwal (Manging Director)
	Shri Sanjay Kumar Agarwal (Joint Managing Director)	Shri Sanjay Kumar Agarwal (Joint Managing Director)	Shri Sanjay Kumar Agarwal (Joint Managing Director)	Shri Sanjay Kumar Agarwal (Joint Managing Director)	Shri Sanjay Kumar Agarwal (Whole Time Director)
	Shri Bhagwan Shaw (Director)	Shri Bhagwan Shaw (Director)	Shri Bhagwan Shaw (Director)	Shri Bhagwan Shaw (Director)	Shri Bhagwan Shaw (Director)
	Shri Dev Kumar Tiwari (Director)	Shri Dev Kumar Tiwari (Director)	Shri Dev Kumar Tiwari (Director)	Shri Dev Kumar Tiwari (Director)	Shri Dev Kumar Tewari (Director)
	Shri Deepak Kumar Agarwal (Director)	Shri Deepak Kumar Agarwal (Director)	Shri Deepak Kumar Agarwal (Director)	Shri Deepak Kumar Agarwal (Director)	Shri Deepak Kumar Agarwal (Director)
	Shri Birendra Kumar Jain(Company Secretary)	Shri Birendra Kumar Jain(Company Secretary)	Shri Birendra Kumar Jain(Company Secretary)	Shri Birendra Kumar Jain(Company Secretary)	Smt Kiran Vimal Agarwal (Director)
	Shri Shree Kumar Dujari (Chief Financial Officer)	Shri Shree Kumar Dujari (Chief Financial Officer)	Shri Shree Kumar Dujari (Chief Financial Officer)	Shri Shree Kumar Dujari (Chief Financial Officer)	Shri Ashok Kumar Jaiswal (Director) (w.e.f. 16.01.2018)
	Smt Kiran Vimal Agarwal (Director)	Smt Kiran Vimal Agarwal (Director)	Smt Kiran Vimal Agarwal (Director)	Smt Kiran Vimal Agarwal (Director)	Shri Yudhvir Singh Jain (Director) (w.e.f. 16.01.2018)
				Shri Bajrang Lal Agarwal (Director) (upto 06.04.2018)	Shri Bajrang Lal Agarwal (Director)
	Shri Venkata Krishna Nageswara Rao Majji (Director)	Shri Venkata Krishna Nageswara Rao Majji (Director)	Shri Venkata Krishna Nageswara Rao Majji (Director)	Shri Venkata Krishna Nageswara Rao Majji (Director)	Smt Susmita Roy (Company Secretary) (Upto 31.01.2018)
	Shri Ashok Kumar Jaiswal (Director)	Shri Ashok Kumar Jaiswal (Director)	Shri Ashok Kumar Jaiswal (Director)	Shri Debashish Bandyopadhyay (Director) (upto 06.04.2018)	Shri Debashish Bandyopadhyay (Director)
	Shri Yudhvir Singh Jain (Director)	Shri Yudhvir Singh Jain (Director)	Shri Yudhvir Singh Jain (Director)	Shri Ashok Kumar Jaiswal (Director)	Shri Venkata Krishna Nageswara Rao Majji (Director)
	Kishan Gopal Baldwa (Director)	Kishan Gopal Baldwa (Director)	Kishan Gopal Baldwa (Director)	Shri Yudhvir Singh Jain (Director)	Shri Shree Kumar Dujari (Chief Financial Officer)
	Mahabir Prasad Agarwal (Director)	Mahabir Prasad Agarwal (Director)	Mahabir Prasad Agarwal (Director)	Kishan Gopal Baldwa (Director) (w.e.f. 15.05.2018)	Shri Shree Kumar Dujari (Chief Financial Officer)
	Ajay Choudhury (Director)	Ajay Choudhury (Director)	Ajay Choudhury (Director)	Mahabir Prasad Agarwal (Director) (w.e.f. 06.04.2018)	
				Ajay Choudhury (Director) (w.e.f. 06.04.2018)	
Relatives to Key Management Personnel:	**Relative's Name - Relation**	**Relative's Name - Relation**	**Relative's Name - Relation**	**Relative's Name - Relation**	**Relative's Name - Relation**
	Mrs. Sumitra Devi Agarwal- Wife of Shri Mahabir Prasad Agarwal	Mrs. Sumitra Devi Agarwal- Wife of Shri Mahabir Prasad Agarwal	Mrs. Sumitra Devi Agarwal- Wife of Shri Mahabir Prasad Agarwal	Mrs. Kiran Vimal Agarwal- Wife of Shri Mahabir Prasad Agarwal	Mr. Mahabir Prasad Agarwal - Father of Mr. Brij Bhushan Agarwal
	Mrs. Sumitra Devi Agarwal - Mother of Mr. Brij Bhushan Agarwal	Mrs. Sumitra Devi Agarwal - Mother of Mr. Brij Bhushan Agarwal	Mrs. Sumitra Devi Agarwal - Mother of Mr. Brij Bhushan Agarwal	Mrs. Sumitra Devi Agarwal - Mother of Mr. Brij Bhushan Agarwal	Mrs Sumitra Devi Agarwal - Mother of Mr. Brij Bhushan Agarwal
	Mrs. Mittu Agarwal - Wife of Mr. Brij Bhushan Agarwal	Mrs. Mittu Agarwal - Wife of Mr. Brij Bhushan Agarwal	Mrs. Mittu Agarwal - Wife of Mr. Brij Bhushan Agarwal	Mrs. Mittu Agarwal - Wife of Mr. Brij Bhushan Agarwal	Mrs Mittu Agarwal - Wife of Mr. Brij Bhushan Agarwal
	Mrs. Anita Jhunjhunwala - Daughter of Mr. Mahabir Prasad Agarwal	Mrs. Anita Jhunjhunwala - Daughter of Mr. Mahabir Prasad Agarwal	Mrs. Anita Jhunjhunwala - Daughter of Mr. Mahabir Prasad Agarwal	Mrs. Anita Jhunjhunwala - Daughter of Mr. Mahabir Prasad Agarwal	Mrs Anita Jhunjhunwala - Daughter of Mahabir Prasad Agarwal
	Mrs. Bina Devi Agarwal - Wife of Mr. Bajrang Lal Agarwal	Mrs. Bina Devi Agarwal - Wife of Mr. Bajrang Lal Agarwal	Mrs. Bina Devi Agarwal - Wife of Mr. Bajrang Lal Agarwal	Mrs. Bina Devi Agarwal - Wife of Mr. Bajrang Lal Agarwal	Mrs Bina Devi Agarwal - Wife of Mr. Bajrang Lal Agarwal
	Mrs. Pooja Agarwal - Wife of Mr. Sanjay Kumar Agarwal	Mrs. Pooja Agarwal - Wife of Mr. Sanjay Kumar Agarwal	Mrs. Pooja Agarwal - Wife of Mr. Sanjay Kumar Agarwal	Mrs. Pooja Agarwal - Wife of Mr. Sanjay Kumar Agarwal	Mrs Pooja Agarwal - Wife of Mr. Sanjay Kumar Agarwal
	Mr. Mahabir Prasad Agarwal - Father of Mr. Brij Bhushan Agarwal	Mr. Mahabir Prasad Agarwal - Father of Mr. Brij Bhushan Agarwal	Mr. Mahabir Prasad Agarwal - Father of Mr. Brij Bhushan Agarwal	Mr. Mahabir Prasad Agarwal - Father of Mr. Brij Bhushan Agarwal	Ms. Ayushi Vimal Kumar Agarwal - Sister of Mr. Aditya Vimal Kumar Agarwal
	Mr. Sheetij Agarwal - Son of Mr. Brij bhushan Agarwal	Mr. Sheetij Agarwal - Son of Mr. Brij bhushan Agarwal	Mr. Sheetij Agarwal - Son of Mr. Brij bhushan Agarwal	Mr. Sheetij Agarwal - Son of Mr. Brij bhushan Agarwal	Mr. Aditya Vimal Kumar Agarwal - Son of Mrs Kiran Vimal Kumar Agarwal
	Shri Bajrang Lal Agarwal - Father of Mr. Sanjay Kumar Agarwal	Shri Bajrang Lal Agarwal - Father of Mr. Sanjay Kumar Agarwal	Shri Bajrang Lal Agarwal - Father of Mr. Sanjay Kumar Agarwal	Shri Bajrang Lal Agarwal - Father of Mr. Sanjay Kumar Agarwal	Shri Bajrang Lal Agarwal - Father of Mr. Sanjay Kumar Agarwal
	Mr. Divyansh Agarwal - Son of Mr. Sanjay Kumar Agarwal	Mr. Divyansh Agarwal - Son of Mr. Sanjay Kumar Agarwal	Mr. Divyansh Agarwal - Son of Mr. Sanjay Kumar Agarwal	Mr. Divyansh Agarwal - Son of Mr. Sanjay Kumar Agarwal	Mrs Suman Agarwal - Wife of Mr. Aditya Vimal Kumar Agarwal

(All amount in Indian Rupees Million, unless otherwise stated)

Note 48 B - Related party disclosure (As per Ind AS-24 - Related Party Disclosures

Type of Tranactions	Subsidiary, Associates and Joint Venture					Enterprises over which Key Management Personnel and / or their relatives have significant influence					Total				
	For the period ended		For the year ended			For the period ended		For the year ended			For the period ended		For the year ended		
	31st December 2020	31st December 2019	31st March 2020	31st March 2019	31st March 2018	31st December 2020	31st December 2019	31st March 2020	31st March 2019	31st March 2018	31st December 2020	31st December 2019	31st March 2020	31st March 2019	31st March 2018
1. Sale of Goods															
Shyam Sel and Power Limited	336.40	554.14	715.87	643.14	453.92	-	-	-	-	-	336.40	554.14	715.87	643.14	453.92
Hrashva Storage and Warehousing Private Limited (w.e.f. 11.04.2019)	-	-	101.11	-	-	-	-	-	-	96.72	-	-	101.11	-	96.72
Salagram power and steel Private Limited	-	-	-	-	-	-	-	-	25.48	-	-	-	-	25.48	-
Shyam Ferro Alloys Limited	-	-	-	-	-	-	-	239.37	770.92	11.22	-	-	239.37	770.92	11.22
2. Commission (Income)															
Shyam Sel & Power Limited	-	-	-	-	0.25	-	-	-	-	-	-	-	-	-	0.25
3. Commission (Expense)															
Meghana Vyaapar Private Limited	-	18.62	18.62	-	-	-	-	-	-	-	-	18.62	18.62	-	-
3. Sale of Licence															
Shyam Sel and Power Limited	-	-	-	7.79	21.86	-	-	-	-	-	-	-	-	7.79	21.86
4. Purchase of Licence															
Shyam Sel and Power Limited	1.46	25.95	36.72	7.04	-	-	-	-	-	-	1.46	25.95	36.72	7.04	-
5. Purchase of Goods															
Shyam Sel and Power Limited	304.93	270.10	604.94	1,191.50	820.39	-	-	-	-	-	304.93	270.10	604.94	1,191.50	820.39
Shyam Ferro Alloys Limited	-	-	-	-	-	-	-	2.29	24.14	-	-	-	2.29	24.14	-
Hrashva Storage and Warehousing Private Limited (w.e.f. 11.04.2019)	-	-	0.26	-	-	-	-	-	-	-	-	-	0.26	-	-
Shyam Solar Appliance Private Limited	-	-	-	-	-	-	-	21.72	-	-	-	-	21.72	-	-
6. Rent Paid and Office Maintenance (Expense) (Net of TDS)															
Improved Realtors Pvt. Ltd.	-	-	-	-	-	0.42	0.42	0.57	0.57	0.43	0.42	0.42	0.57	0.57	0.43
Hrashva Storage & Warehousing Private Limited	0.14	0.11	0.29	0.29	0.22	-	-	-	-	-	0.14	0.11	0.29	0.29	0.22
7. Remuneration															
Mr. Brij Bhusan Agarwal	-	-	-	-	-	13.13	16.88	43.13	45.00	7.41	13.13	16.88	43.13	45.00	7.41
Mr. Sanjay Agarwal	-	-	-	-	-	2.63	3.38	8.63	9.00	3.78	2.63	3.38	8.63	9.00	3.78
Mr. Dev Kumar Tiwari	-	-	-	-	-	1.04	1.28	1.75	1.74	1.04	1.04	1.28	1.75	1.74	1.04
Mr. Bhagwan Shaw	-	-	-	-	-	0.45	0.43	0.59	0.56	0.23	0.45	0.43	0.59	0.56	0.23
Add : Advance Salary	-	-	-	-	-	-	-	-	-	0.02	-	-	-	-	0.02
Mr. Birendra Kumar Jain	-	-	-	-	-	0.90	0.96	1.29	1.33	-	0.90	0.96	1.29	1.33	-
Ms. Susmita Roy	-	-	-	-	-	-	-	-	-	0.18	-	-	-	-	0.18
Mr. Sree Kumar Dujari	-	-	-	-	-	1.80	1.82	2.49	2.09	1.42	1.80	1.82	2.49	2.09	1.42
Mr. Deepak Kumar Agarwal	-	-	-	-	-	2.62	2.62	3.60	3.50	2.40	2.62	2.62	3.60	3.50	2.40

(All amount in Indian Rupees Million, unless otherwise stated)

Note 48 B - Related party disclosure (As per Ind AS-24 - Related Party Disclosures)

Type of Tranactions	Subsidiary, Associates and Joint Venture					Enterprises over which Key Management Personnel and / or their relatives have significant influence					Total				
	For the period ended		For the year ended			For the period ended		For the year ended			For the period ended		For the year ended		
	31st December 2020	31st December 2019	31st March 2020	31st March 2019	31st March 2018	31st December 2020	31st December 2019	31st March 2020	31st March 2019	31st March 2018	31st December 2020	31st December 2019	31st March 2020	31st March 2019	31st March 2018
8. Purchase of Investments															
Shyam Sel and Power Limited	-	-	-	-	1.59	-	-	-	-	-	-	-	-	-	1.59
Dorite Tracon Private Limited	-	-	-	-	-	-	-	31.43	625.22	-	-	-	31.43	625.22	-
Narantak Dealcomm Limited	-	-	-	-	-	-	-	36.62	1,432.70	411.96	-	-	36.62	1,432.70	411.96
Shree Sikhar Iron & Steel Pvt. Ltd.	-	0.06	0.06	-	-	-	-	-	-	-	-	0.06	0.06	-	-
Kalinga Infra Projects Limited (w.e.f 19.8.19)	-	0.45	0.45	-	-	-	-	-	-	-	-	0.45	0.45	-	-
Shyam Ores (Jharkhand) Private Limited (Upto 18.06.2020)	-	-	-	1.70	-	-	-	-	-	-	-	-	-	1.70	-
Singhbhum Steel & Power Private Limited	-	-	0.05	27.32	-	-	-	-	-	-	-	-	0.05	27.32	-
Shyam Greenfield Developers Private Limited	-	-	-	-	-	-	-	0.07	-	-	-	-	0.07	-	-
Subhlabh Commercials Private Limited	-	-	-	-	-	-	-	-	-	49.19	-	-	-	-	49.19
Damodar Aluminium Private Limited	-	-	0.03	-	11.69	-	-	-	-	-	-	-	0.03	-	11.69
Kolhan Complex Pvt. Ltd.	-	-	0.04	-	-	-	-	-	-	-	-	-	0.04	-	-
Platinum Minmet Private Limited	-	-	-	-	-	-	-	-	-	1.40	-	-	-	-	1.40
Shyam Solar Appliance Private Limited	-	-	-	-	-	-	-	0.02	-	9.21	-	-	0.02	-	9.21
Meghana Vyaapar Private Limited	-	-	0.23	-	104.18	-	-	-	-	-	-	-	0.23	-	104.18
Subham Capital Private Limited	-	-	-	-	-	-	-	0.80	-	361.11	-	-	0.80	-	361.11
9. Sale of Investments															
Shyam Ferro Alloys Limited	-	-	-	30.08	-	-	-	-	0.89	-	-	-	-	30.97	-
Nirjhar Commodities Pvt Ltd	-	0.04	0.04	-	-	-	-	-	-	-	-	0.04	0.04	-	-
Shyam Sel & Power Limited	-	0.02	0.00	-	-	-	-	-	-	-	-	0.02	0.00	-	-
10. Advances Given															
Shyam Sel and Power Limited	2,856.76	140.27	898.22	5,478.08	3,978.32	-	-	-	-	-	2,856.76	140.27	898.22	5,478.08	3,978.32
Kalinga Infra Projects Limited (w.e.f 19.8.19)	-	40.30	53.28	0.07	-	-	-	-	-	-	-	40.30	53.28	0.07	-
Damodar Aluminum Pvt Ltd	-	40.30	40.35	0.06	-	-	-	-	-	-	-	40.30	40.35	0.06	-
Hrashva Storage and Warehousing Private Limited (w.e.f. 11.04.2019)	0.02	0.02	618.63	-	-	-	-	-	2.79	-	0.02	0.02	618.63	2.79	-
Shyam Ores (Jharkhand) Private Limited	1.08	316.10	650.73	-	-	-	-	-	-	-	1.08	316.10	650.73	-	-
Meghana Vyaapar Private Limited	-	-	110.63	100.42	-	-	0.09	-	-	-	-	0.09	110.63	100.42	-
Shyam Emco Infrastructure Limited	-	-	-	-	-	12.29	33.50	-	-	35.35	12.29	33.50	-	-	35.35
Shyam Century Multiprojects Private Limited	-	-	-	-	-	-	-	0.00	-	-	-	-	0.00	-	-
Kalpataru Housefin & Trading Pvt Ltd	-	-	-	-	-	-	-	25.41	134.91	-	-	-	25.41	134.91	-
Essel Plywood Private Limited;	-	-	-	-	-	-	-	-	-	16.83	-	-	-	-	16.83
Taurus Estates Private Limited	-	-	0.00	-	-	-	-	-	-	-	-	-	0.00	-	-
Elysian Beautification Pvt Ltd	-	-	-	-	-	0.23	-	-	-	-	0.23	-	-	-	-
Shyam Ferro Alloys Limited	-	-	-	-	-	3.36	-	0.12	20.80	0.05	3.36	-	0.12	20.80	0.05
Shyam Energy Limited	0.23	0.07	26.68	0.05	0.00	-	-	-	-	-	0.23	0.07	26.68	0.05	0.00
Swarnrekha Abasan Private Ltd	-	-	-	-	-	-	-	-	25.00	-	-	-	-	25.00	-

Shyam Metalics and Energy Limited
CIN: U40101WB2002PLC095491
(All amount in Indian Rupees Million, unless otherwise stated)
Annexure V
Notes to Restated Consolidated Ind AS Summary Statements

Note 48 B - Related party disclosure (As per Ind AS-24 - Related Party Disclosures

Type of Tranactions	Subsidiary, Associates and Joint Venture					Enterprises over which Key Management Personnel and / or their relatives have significant influence					Total				
	For the period ended		For the year ended			For the period ended		For the year ended			For the period ended		For the year ended		
	31st December 2020	31st December 2019	31st March 2020	31st March 2019	31st March 2018	31st December 2020	31st December 2019	31st March 2020	31st March 2019	31st March 2018	31st December 2020	31st December 2019	31st March 2020	31st March 2019	31st March 2018
11. Advances Received back															
Shyam Sel and Power Limited	4,493.38	152.02	796.39	4,556.93	3,578.52	-	-	-	-	-	4,493.38	152.02	796.39	4,556.93	3,578.52
Hrashva Storage and Warehousing Private Limited (w.e.f. 11.04.2019).	0.04	-	19.89	-	-	-	-	-	29.01	-	0.04	-	19.89	29.01	-
Kalinga Infra Projects Limited (w.e.f 19.8.19)	-	40.00	45.65	0.24	-	-	-	-	-	-	-	40.00	45.65	0.24	-
Damodar Aluminum Pvt Ltd	-	40.00	40.28	0.06	-	-	-	-	-	-	-	40.00	40.28	0.06	-
Meghana Vyaapar Private Limited	-	-	110.48	100.42	-	-	-	-	-	-	-	-	110.48	100.42	-
Shyam Emco Infrastructure Limited	-	-	-	-	-	0.08	31.42	-	-	35.35	0.08	31.42	-	-	35.35
Kalpataru Housefin & Trading Pvt Ltd	-	-	-	-	-	-	-	25.41	134.91	-	-	-	25.41	134.91	-
Elysian Beautification Pvt Ltd	-	-	-	-	-	0.08	-	-	-	-	0.08	-	-	-	-
Shyam Energy Limited	-	0.08	26.50	-	0.07	-	-	-	-	-	-	0.08	26.50	-	0.07
Suhag Overseas Trading Private Limited	-	-	-	-	-	-	-	11.14	10.25	-	-	-	11.14	10.25	-
Godawari Natural Resources Limited	-	-	-	-	-	-	-	-	0.18	-	-	-	-	0.18	-
Britasia Hydro Power Private Limited;	-	-	-	-	-	-	-	0.00	-	-	-	-	0.00	-	-
Essel Plywood Private Limited;	-	-	-	-	-	-	-	221.33	330.52	-	-	-	221.33	330.52	-
Kalinga Energy & Power Limited;	-	-	-	-	-	-	-	19.89	29.01	-	-	-	19.89	29.01	-
Shyam Greenfield Developers Private Limited;	-	-	-	-	-	-	-	0.10	58.00	-	-	-	0.10	58.00	-
Sindbad Hydro Power Limited;	-	-	-	-	-	-	-	0.00	0.01	-	-	-	0.00	0.01	-
S.S. Natural Resources Private Limited;	-	-	-	-	-	-	-	2,307.56	2,610.31	-	-	-	2,307.56	2,610.31	-
Swarnarekha Abasan Pvt Ltd	-	-	-	-	-	-	-	-	25.00	-	-	-	-	25.00	-
Shyam Ores (Jharkhand) Private Limited	84.30	235.20	490.27	-	-	-	-	-	-	-	84.30	235.20	490.27	-	-
Shyam Ferro Alloys Limited	-	-	-	-	-	0.00	449.62	-	755.32	0.05	0.00	449.62	-	755.32	0.05
12. Loans Received															
Narantak Dealcomm Limited	-	-	-	-	-	491.10	756.00	756.00	1,249.70	-	491.10	756.00	756.00	1,249.70	-
Dorite Tracon Private.Limited	-	-	-	-	-	91.30	361.90	361.90	760.50	-	91.30	361.90	361.90	760.50	-
Shyam Energy Limited	-	-	-	26.90	-	-	-	-	-	-	-	-	-	26.90	-
Subham Capital Private Limited	-	-	-	-	-	110.00	645.00	645.00	-	-	110.00	645.00	645.00	-	-
Shyam Emco Infrastructure Limited	-	-	-	-	-	-	-	33.50	-	-	-	-	33.50	-	-
12. Loans Repaid															
Narantak Dealcomm Limited	-	-	-	-	-	407.50	469.50	756.00	1,249.70	-	407.50	469.50	756.00	1,249.70	-
Dorite Tracon Private.Limited	-	-	-	-	-	2.65	265.90	361.90	760.50	-	2.65	265.90	361.90	760.50	-
Shyam Energy Limited	-	-	-	26.90	-	-	-	-	-	-	-	-	-	26.90	-
Subham Capital Private Limited	-	-	-	-	-	112.93	535.00	645.00	-	-	112.93	535.00	645.00	-	-
Hrashva Storage and Warehousing Private Limited (w.e.f. 11.04.2019).	-	-	-	-	-	-	-	-	6.81	-	-	-	-	6.81	-
Shyam Emco Infrastructure Limited	-	-	-	-	-	-	-	33.50	-	-	-	-	33.50	-	-
13. Loans Given															
Hrashva Storage and Warehousing Private Limited (w.e.f. 11.04.2019).	-	-	-	-	-	-	-	-	166.85	-	-	-	-	166.85	-
Elysian Beautification Pvt Ltd	-	-	-	-	-	0.70	-	-	-	-	0.70	-	-	-	-
14. Interest on Loan Taken															
Narantak Dealcomm Limited	-	-	-	-	-	5.76	-	-	-	-	5.76	-	-	-	-
Subham Capital Private Limited	-	-	-	-	-	2.93	-	-	-	-	2.93	-	-	-	-
Dorite Tracon Private.Limited	-	-	-	-	-	1.05	-	-	-	-	1.05	-	-	-	-

Shyam Metalics and Energy Limited
CIN: U40101WB2002PLC095491
(All amount in Indian Rupees Million, unless otherwise stated)
Annexure V
Notes to Restated Consolidated Ind AS Summary Statements

Note 48 B - Related party disclosure (As per Ind AS-24 - Related Party Disclosures

Type of Tranactions	Subsidiary, Associates and Joint Venture					Enterprises over which Key Management Personnel and / or their relatives have significant influence					Total				
	For the period ended		For the year ended			For the period ended		For the year ended			For the period ended		For the year ended		
	31st December 2020	31st December 2019	31st March 2020	31st March 2019	31st March 2018	31st December 2020	31st December 2019	31st March 2020	31st March 2019	31st March 2018	31st December 2020	31st December 2019	31st March 2020	31st March 2019	31st March 2018
15. Balances outstanding on account of Receivables/(Payable															
Damodar Aluminium Private Limited	1.01	1.26	1.01	-	0.96	-	-	-	-	-	1.01	1.26	1.01	-	0.96
Shyam Sel and Power Limited	(1,999.27)	(160.21)	(459.97)	(15.64)	-	-	-	-	-	-	(1,999.27)	(160.21)	(459.97)	(15.64)	-
Kalinga Infra Projects Limited (w.e.f 19.8.19).	0.05	0.30	-	-	-	-	-	-	-	-	0.05	0.30	-	-	-
Shyam Energy Limited	10.59	-	0.20	0.01	-	-	-	-	-	-	10.59	-	0.20	0.01	-
Shyam Ores (Jharkhand) Private Limited (Upto 18.06.2020)	81.66	80.90	164.88	3.29	-	-	-	-	-	-	81.66	80.90	164.88	3.29	-
Singhbhum Steel & Power Private Limited	-	-	-	-	1.07	1.07	1.07	1.07	1.07	-	1.07	1.07	1.07	1.07	1.07
Elysian Beautification Pvt Ltd	-	-	-	-	-	0.85	-	-	-	-	0.85	-	-	-	-
Meadow Housing Private Limited	2.90	-	2.90	2.90	2.90	-	-	-	-	-	2.90	-	2.90	2.90	2.90
Godawari Natural Resources Limited	-	-	-	-	-	-	-	-	-	0.18	-	-	-	-	0.18
Hrashva Storage and Warehousing Private Limited (w.e.f. 11.04.2019)	-	0.02	890.30	190.30	-	-	-	-	-	-	-	0.02	890.30	190.30	-
Meghana Vyaapar Private Limited	(16.54)	(13.31)	(16.54)	-	-	-	-	-	-	-	(16.54)	(13.31)	(16.54)	-	-
S.S. Natural Resources Private Limited	-	-	-	-	-	-	-	50.00	50.00	-	-	-	50.00	50.00	-
Dorite Tracon Private Limited	-	-	-	-	-	(89.70)	(96.00)	-	-	64.13	(89.70)	(96.00)	-	-	64.13
Narantak Dealcomm Limited	-	-	-	-	-	(89.42)	(286.50)	(0.06)	-	228.50	(89.42)	(286.50)	(0.06)	-	228.50
Shyam Emco Infrastructure Limited	-	-	-	-	-	-	(2.08)	-	-	-	-	(2.08)	-	-	-
Subham Capital Private Limited	-	-	-	-	-	-	(110.00)	-	-	-	-	(110.00)	-	-	-
Shyam Ferro Alloys Limited	-	-	-	-	-	-	(0.01)	(203.52)	12.28	(0.03)	-	(0.01)	(203.52)	12.28	(0.03)
Platinum Minmet Private Limited	-	-	-	-	-	-	-	-	0.94	-	-	-	-	0.94	-
Keocons Trade Care Pvt Ltd	-	-	-	-	-	-	-	-	100.00	-	-	-	-	100.00	-

(All amount in Indian Rupees Million, unless otherwise stated)

Note 53 - Segment Reporting

As per Ind AS 108 "operating segments", specified under section 133 of the Companies Act, 2013, the Company is predominantly engaged in a single reportable segment of Iron and Steel.

Note 54 - Long Term and Derivative Contract

The Company did not have any long term contracts including derivative contracts for which there were any foreseeable losses.

Note 55 - Figures of previous year have been regrouped/rearranged/rectified wherever necessary to make them comparable with the current periods figures

Note 56 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

Note 57 -List of Subsidiaries, Associates & Joint Ventures included in the Consolidated Financial Statements are as under:

Name of Companies	Country of Incorporation	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Subsidiary						
Shyam Sel and Power Limited	India	100.00%	100.00%	100.00%	100.00%	82.70%
Shyam Business Solutions Private Limited	India	-	-	-	-	54.33%
Damodar Aluminium Private Limited	India	54.15%	54.15%	54.15%	54.15%	54.15%
Singhbhum Steel & Power Private Limited	India	91.45%	91.45%	91.45%	91.45%	91.45%
Shyam Ores (Jharkand) Private Limited (Upto 18.06.20)	India	-	100.00%	100.00%	100.00%	50.00%
Renaissance Hydro Power Private Limited	India	100.00%	100.00%	100.00%	100.00%	99.80%
Kalinga Infra Projects Ltd. (w.e.f. 19.08.19)	India	49.60%	49.60%	49.60%	-	-
Step Down Subsidiary						
Whispering Developers Private Limited	India	67.57%	67.57%	67.57%	67.57%	56.03%
Taurus Estates Private Limited	India	89.29%	89.29%	89.29%	89.29%	74.04%
Shyam Energy Limited	India	86.46%	86.46%	86.46%	86.46%	71.70%
Hrashva Storage and Warehousing Private Limited (w.e.f. 11.04.2019)	India	100.00%	100.00%	100.00%	-	75.85%
Meadows Housing Private Limited	India	99.05%	99.05%	99.05%	71.43%	82.14%
Shree Sikhar Iron & Steel Pvt Ltd	India	100.00%	100.00%	100.00%	0.00%	-
Nirjhar Commodities	India	58.00%	58%	73.00%	0.00%	-
Associate						
Meghana Vyapaar Private Limited	India	33.51%	33.51%	33.51%	33.51%	33.51%
Kecons Tradecare Private Limited	India	47.32%	47.32%	47.32%	47.32%	47.32%
Kolhan Complex Private Limited	India	49.88%	49.88%	49.88%	29.87%	29.87%
Joint Venture						
MJSJ Coal Limited	India	9%	9%	9%	9%	9%
Kalinga Energy and Power Limited	India	50%	50%	0.00%	50%	50%

Name of the entity in the group	As at 31st December 2020							
	Net Assets i.e. total assets minus Liabilities		Share in profit and loss		Share in other comprehensive		Share in total comprehensive income	
	As % of Consolidated Net Assets	(Amount in Rs. millions)	As % of Consolidated Profit & Loss	(Amount in Rs. millions)	As % of Consolidated Other Comprehensive Income	(Amount in Rs. millions)	As % of Consolidated Total Comprehensive Income	(Amount in Rs. millions)
Parent								
Shyam Metalics and Energy Limited	36%	11,960.80	49.09%	2,241.15	53.35%	20.75	49.12%	2,261.90
Subsidiaries								
Shyam Sel & power Limited	61%	20,146.08	50.74%	2,316.94	46.65%	18.14	50.71%	2,335.08
Damodar Aluminium Private Limited	0%	21.13	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Singhbhum Steel & Power Private Limited	0%	26.35	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Shyam Ores (Jharkhand) Private Limited	0%	-	0.00%	-	0.00%	-	0.00%	-
Rennaisance Hydropower Private Limited	0%	(0.11)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Kalinga Infra Projects Limited	0%	3.64	0.00%	(0.13)	0.00%	-	0.00%	(0.13)
Step down subsidiaries								
Whispering Developers Private Limited	0%	7.18	0.00%	-	0.00%	-	0.00%	-
Taurus Estates Private Limited	0%	8.16	0.00%	-	0.00%	-	0.00%	-
Shyam Energy Limited	1%	191.20	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Meadow Housing Private Limited	0%	10.23	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Hrashva Storage and Warehousing Private Limited	0%	20.13	0.08%	3.54	0.00%	-	0.08%	3.54
Shree Sikhar Iron & Steel Pvt Ltd	0%	39.88	0.00%	-	0.00%	-	0.00%	-
Nirjhar Commodities Pvt Ltd	0%	(1.49)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Non controlling Interest in all Subsidiaries	0%	41.49	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Associates								
Kecons Tradecare Private Limited	1%	211.31	0.00%	0.18	0.00%	-	0.00%	0.18
Meghana Vyapar Private Limited	0%	136.39	0.09%	4.29	0.00%	-	0.09%	4.29
Kalinga Energy & power ltd	0%	(7.83)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Kolhan Complex Private Limited	0%	38.22	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
TOTAL	**100%**	**32,852.76**	**100%**	**4,565.86**	**100%**	**38.89**	**100%**	**4,604.75**

(All amount in Indian Rupees Million, unless otherwise stated)

Material Adjustments to Restated Consolidated Ind AS Summary Statements and notes thereon

Particulars	As at 31st December 2020	As at 31st December 2019	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
Net Profit / Total Comprehensive Income as per Audited Financial Statement	4,601.80	2,613.34	3,406.76	6,408.24	5,167.06
Material Adjustments:					
Prior Period Items	-	-	-	-	6.59
Materialisation of Contingent Liabilities	-	-	-	-	60.29
Ind As Adjustments					
Adjustment of Ind AS 115	-	-	-	12.23	(12.23)
Adjustment of Ind AS 116	0.30	0.63	0.85	(2.88)	(2.92)
Total adjustments	**0.30**	**0.63**	**0.85**	**9.35**	**51.73**
Total profit / Total Comprehensive income as per restated Ind AS	**4,602.10**	**2,613.97**	**3,407.61**	**6,417.59**	**5,218.79**

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. Materialisation of Contingent Liabilities

In the financial statements for the years ended 31st March 2018, 31 March 2017 and 31st March 2016, contingent liabilities are disclosed in the notes to accounts and are not recognized in the books of accounts . However during the said periods certain contingent liabilities had subsequently materialised and were provided for only in the subsequent year. For the purpose of Restatement, the said liabilities have been adjusted to the respective year in which the liability relates to.

3. Revenue from Contract with Customers (Ind AS 115)

In accordance with Ind AS 115, "Revenue from Contracts with Customers", the company identifies the performance obligations related to a contract and recognizes its revenue when those performance obligations are satisfied.

4. Leases (Ind AS 116)

In accordance with Ind AS 116, "Leases", the company calculates the present value of remaining lease payments discounted using the incremental borrowing rate (IBR) on date of transition. The Company has recognized ROU equal to lease liability as on the first date of the current fiscal year. Leashehold land has been classified as Right to use during the year in compliance with Ind as 116. The Company has lease contracts for land and buildings used in its operations. For Buildings the lease term generally varies between 2 to 5 years and for land it can extend upto 90 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. The Company has not applied Ind As 116 on low value assets and short term leases.

5. 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.

6. Material Regroupings

Appropriate adjustments have been made in the respective years of Restated Standalone Statements of Assets and Liabilities, Profits and Loss and Cash flows, wherever required, by reclassification of the corresponding 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, 2018, prepared in accordance with Revised Schedule III, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

Shyam Metalics and Energy Limitec
CIN: U40101WB2002PLC09549'
(All amount in Indian Rupees Million, unless otherwise statec
Notes to Restated Consolidated Ind AS Summary Statement:
Annexure VI
Statement of Equity Reconciliation to Restated Consolidated Ind AS Summary Statement

Reconciliations between previous GAAP and Ind AS Ind AS 101 requires an entity to reconcile equity for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS restated figures

Particulars	For the period ended 31st December 2020	For the period ended 31st December 2019	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
Balance of Equity as per Audited Financial Statemer	32,898.86	27,513.91	28306.17	24946.69	20,650.45
Adjustments:					
Adjustment of Ind AS 115	-	-	-	-	(12.23)
Adjustment of Ind AS 116	(4.66)	(5.17)	(4.96)	(5.80)	(2.92)
Total adjustments	**(4.66)**	**(5.17)**	**(4.96)**	**(5.80)**	**(15.15)**
Total equity - Restated (including minority interest	**32,894.20**	**27,508.74**	**28,301.21**	**24,940.89**	**20,635.30**

1. Revenue from Contract with Customers (Ind AS 115)
In accordance with Ind AS 115, "Revenue from Contracts with Customers", the company identifies the performance obligations related to a contract and recognizes its revenue when those performance obligations are satisfied

2. Leases (Ind AS 116)
In accordance with Ind AS 116, "Leases", the company calculates the present value of remaining lease payments discounted using the incremental borrowing rate (IBR) on date of transition. The Company has recognized ROU equal to lease liability as on the first date of the current fiscal year. Leashehold land has b classified as Right to use during the year in compliance with Ind as 116. The Company has lease contracts for land and buildings used in its operations. For Buildings the lease term generally varies between 2 to 5 years and for land it can extend upto 90 years. The Company's obligations under its leases are secur by the lessor's title to the leased assets. The Company has not applied Ind As 116 on low value assets and short term leases.

3. Material Regroupings
Appropriate adjustments have been made in the respective years of Restated Standalone Statements of Assets and Liabilities, Profits and Loss and Cash flow wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings per the audited financials of the Company for the period ended in March 31, 2018, prepared in accordance with Revised Schedule III, and the requirements of Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

Shyam Metalics and Energy Limited
CIN: U40101WB2002PLC095491
(All amount in Indian Rupees Million, unless otherwise stated)
Annexure VIII
Restated Consolidated Statement of Accounting Ratio

Sl No.	Particulars	Note	For the period ended		For the year ended		
			31st December 2020	31st December 2019	31st March 2020	31st March 2019	31st March 2018
A	**Earning per Share (EPS) - Basic and Diluted**	1					
	Restated Profit attributable to equity shareholders		4,563.23	2,605.73	3,403.41	6,041.25	4,243.66
				-			
	Weighted-average number of equity shares for basic & Diluted EPS*		23,36,10,100	23,36,10,100	23,36,10,100	23,36,10,100	4,67,22,020
	Weighted-average number of equity shares for basic & Diluted EPS - Post Bonus		23,36,10,100	23,36,10,100	23,36,10,100	23,36,10,100	23,36,10,100
	Nominal value of equity share (₹)		10.00	10.00	10.00	10.00	10.00
	Basic & Diluted earnings per share (₹)		19.53	11.15	14.57	25.86	90.83
	Basic & Diluted earnings per share (₹) - Post Bonus		19.53	11.15	14.57	25.86	18.17
B	**Return on Net Worth**	2					
	Restated Net Profit / (Loss) for the periods		4,563.23	2,605.73	3,403.41	6,041.25	4,243.66
				-			
	Net worth at the end of the periods		32,852.76	27,466.55	28,259.75	24,896.60	18,539.89
				-			
	Return on Net Worth (%)		13.89%	9.49%	12.04%	24.27%	22.89%
				-			
C	**Net Asset Value Per Equity Share**	3		-			
	Net worth at the end of the periods		32,852.76	27,466.55	28,259.75	24,896.60	18,539.89
				-			
	Total number of equity shares outstanding at end of the periods*		23,36,10,100	23,36,10,100	23,36,10,100	23,36,10,100	4,67,22,020
	Total number of equity shares outstanding at end of the periods - Post Bonus		23,36,10,100	23,36,10,100	23,36,10,100	23,36,10,100	23,36,10,100
				-			
	Net Asset Value Per Equity Share (₹)		140.63	117.57	120.97	106.57	396.81
	Net Asset Value Per Equity Share (₹) - Post Bonus		140.63	117.57	120.97	106.57	79.36

1 **Earning per Share (Basic and Diluted)**

$$\frac{\text{Restated Profit / Loss after Tax attributable to Equity Shareholders}}{\text{Weighted Average No. of Equity Shares}}$$

Note 1.1

Subsequent to March 31, 2018, the Company issued four Equity Shares by way of a bonus issuance against each fully paid-up Equity Shares. Total number of weighted Equity Shares at the end of the period have been adjusted to give effect of the bonus issue.

2 **Return on Net Worth**

$$\frac{\text{Profit/Loss after tax (as restated)}}{\text{Net worth at the end of the periods}}$$

Net worth means the aggregate of equity share capital and other equity inclusive of net gain consequent to fair valuation of certain assets on transition to Ind AS

3 **Net Asset Value Per Equity Share**

$$\frac{\text{Net worth at the end of the periods}}{\text{**Total number of equity shares outstanding at end of the periods}}$$

**Total no. of equity shares outstanding at the end of the periods have been adjusted for bonus shares issued as given in Note 1.1 above

Shyam Metalics and Energy Limited
CIN: U40101WB2002PLC095491
(All amount in Indian Rupees Million, unless otherwise stated)
Annexure IX
Restated Consolidated Statement of Capitalisation

Particulars	As at 31st December 2020
Long Term Borrowings	2,039.88
Short Term Borrowings	6,823.04
Gross Debt	**8,862.92**
Equity share capital	2,336.10
Other Equity	30,516.66
Total Equity	**32,852.76**
Debts / Equity Ratio	**0.27**
Long Term Debt / Equity Ratio	**0.06**

Long Term Borrowings

Particulars	As at 31st December 2020
(Secured)	
Secured long term Indian Rupee Loan	711.66
Secured long term Foreign currency loan	1,318.79
Commercial Vehicle Loan	2.32
Hire Purchase Finance	0.67
(Unsecured)	
Loan from related parties	6.44
Total	**2,039.88**

Short term borrowings

Particulars	As at 31st December 2020
Secured	
Loans Repayable on Demand	
Working Capital- Foreign Currency loan	1,872.30
Working capital - Demand loan	2,538.11
Working capital - Cash credit	421.22
Suppliers credit against import LC	937.48
From body corporate	932.53
Unsecured	
Collateralised borrowing bill discounting	121.40
Total	**6,823.04**

(a) The Above has been computed on the basis of restated statement of account
(b) For the purpose of long term debt / equity ratio, long term debt has been considered including current maturities of long term debts.

As per our report of even date attached.
For S K Agrawal and Co Chartered Accountants LLP
Chartered Accountants
Firm Registration Number: 306033E / E300272

For and on behalf of the Board of Directors

Brij Bhushan Agarwal
Managing Director
DIN 01125056

Deepak Kumar Agarwal
Wholetime Director
DIN 00560010

Vivek Agarwal
Partner
Membership No: 301571
Place: Kolkata
Date : 23rd February 2021

Shree Kumar Dujari
Chief Financial Officer

Birendra Kumar Jain
Company Secretary
A8305

CAPITALIZATION STATEMENT

The following table sets forth our Company's capitalization as at December 31, 2020, on the basis of our Restated Financial Statements, and as adjusted for the Offer. This table should be read in conjunction with the sections entitled "*Risk Factors*", "*Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 21, 210 and 285, respectively.

(*in ₹ million*)

Particulars	Pre-Offer as at December 31, 2020	As adjusted for the proposed Offer*
Shareholders' Funds		
Equity Share Capital	2,336.10	[●]
Other equity	30,516.66	[●]
Total Shareholders' Funds (A)	32,852.76	[●]
Debt		
Current borrowings	6,823.04	[●]
Non-current borrowings (including current maturities)	2,039.88	[●]
Total Debt (B)	8,862.92	[●]
Non-current borrowings (including current maturities) /equity ratio	**0.06**	[●]
Total debt/equity ratio	**0.27**	[●]

** The corresponding post-Offer capitalization 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.*

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our Restated Financial Statements on page 211.

This Draft Red Herring Prospectus may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Draft Red Herring Prospectus. For further information, see "Forward-Looking Statements" on page 15. Also read "Risk Factors" and "- Significant Factors Affecting our Results of Operations" on pages 21 and 287, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.

Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2018, 2019 and 2020 and for the nine months ended December 31, 2019 and 2020 included herein is derived from the Restated Financial Statements, included in this Draft Red Herring Prospectus. For further information, see "Financial Information" beginning on page 210.

Our Company's Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, in this section, references to "the Company" or "our Company" are to Shyam Metalics and Energy Limited on a standalone basis, and references to "the Group", "we", "us", "our", are to Shyam Metalics and Energy Limited and its Subsidiaries and Associates on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled "Market Assessment and Outlook across Steel Industry value chain" dated February 2021 (the "**CRISIL Report**"), prepared and issued by CRISIL Research, a division of CRISIL Limited, and commissioned by us. Also see, "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" on page 13.*

OVERVIEW

We are a leading integrated metal producing company based in India (*Source: CRISIL Report*) with a focus on long steel products and ferro alloys. We are amongst the largest producers of ferro alloys in terms of installed capacity in India, as of February 2021 (*Source: CRISIL Report*). We have the ability to sell intermediate and final products across the steel value chain. As of March 31, 2020, we were one of the leading players in terms of pellet capacity and the fourth largest player in the sponge iron industry in terms of sponge iron capacity in India (*Source: CRISIL Report*). We were also one of the leading integrated steel and ferro alloys producers in the eastern region of India in terms of long steel products, as of March 31, 2020 (*Source: CRISIL Report*). We have a consistent track record of delivering operating profitability, and since the commencement of our operations in Fiscal 2005, we have delivered a positive EBITDA in each of the Fiscals.

We currently operate three manufacturing plants that are located at Sambalpur in Odisha, and Jamuria and Mangalpur in West Bengal. As of December 31, 2020, the aggregate installed metal capacity of our manufacturing plants was 5.71 million tonne per annum ("**MTPA**") (comprising of intermediate and final products). Our manufacturing plants also include captive power plants with an aggregate installed capacity of 227 MW, as of December 31, 2020. We are also in the process of increasing the capacities of our existing manufacturing plants and captive power plants, which is expected to increase our aggregate installed metal capacity (comprising of intermediate and final products) from 5.71 MTPA, as of December 31, 2020, to 11.60 MTPA and captive power plants aggregate installed capacity from 227 MW, as of December 31, 2020, to 357 MW. These proposed expansions are expected to become operational between Fiscal 2022 and Fiscal 2025. In addition, we are in the process of commissioning an aluminium foil rolling mill at Pakuria in West Bengal with a proposed installed capacity of 0.04 MTPA, which is expected to become operational in Fiscal 2022.

Our Sambalpur and Jamuria plants operate as 'ore to metal' integrated steel manufacturing plants and comprise captive railway sidings, captive power plants, iron pellet, sponge iron, billet, thermo mechanically treated ("**TMT**"), wire rod and structural mills, and ferro alloy plants. Our integrated manufacturing plants are fungible by design, which provides us with the ability to quickly adapt to continuously evolving market conditions, change our production and product offerings and optimise our operating margins thereby insulating us from price volatility. Further, our Mangalpur plant comprises sponge iron and ferro alloy plants, and a captive power plant. We have eight captive power plants that utilise non-fossil fuels, such as, waste, rejects, heat and gas, generated from our operations to produce electricity, and thereby enable us to operate at lower power costs. In Fiscals 2018, 2019 and 2020, and the nine months ended December 31, 2020, power units produced from our captive power plants accounted for 90.06%, 87.32%, 85.19% and 79.58%, respectively, of our total power units consumed. We believe that the proposed expansion plans of our captive power plants will help us to meet our increased requirement of power and enable us to become more self-sufficient.

We primarily produce intermediate and long steel products, such as, iron pellets, sponge iron, steel billets, TMT, structural products, wire rods, and ferro alloys products with a specific focus on high margin products, such as, customised billets and specialised ferro alloys for special steel applications. Our TMT and structural products are sold under the brand '*SEL*' and logo . We also undertake conversion of hot rolled coils to pipes, chrome ore to ferro chrome and manganese ore to silico manganese for an Indian steel conglomerate. We are also currently in the process of further diversifying our product portfolio by entering into the segments, such as, pig iron, ductile iron pipes and aluminium foil.

Our Sambalpur manufacturing plant caters to customers in the southern and western regions of India whereas our Jamuria and Mangalpur manufacturing plants caters to customers in northern and eastern regions of India. Our product offerings cater to a mix of customers that consist of institutional customers and end-use consumers through our distribution network. Our domestic customers include Jindal Stainless Limited, Jindal Stainless (Hisar) Limited, and Rimjhim Ispat Limited. Our international customers include Norecom DMCC, Norecom Limited, POSCO International Corporation, World Metals & Alloys (FZC), Traxys North America LLC, JM Global Resources Limited, Goenka Steels Private Limited and Vijayshri Steel Private Limited. As of December 31, 2020, we had partnerships with 42 distributors, who stock and sell our finished products across 13 states and one union territory. We also sell our intermediate products through brokers.

Our manufacturing plants are strategically located in close proximity to the mineral belt in eastern India, including, iron ore, iron ore fines, manganese ore, chrome ore and coal mines, our primary raw material sources and ports, which we believe lowers our transportation costs and provides significant logistics management and cost benefits. Our manufacturing plants are well connected by roads, railways and ports. Our Sambalpur and Jamuria manufacturing plants have captive railways sidings which enable us to transport the raw materials and products in a cost and time effective manner. We are one of the few integrated metal producing companies in India with captive railway sidings, as of March 31, 2020 (*Source: CRISIL Report*). We follow stringent quality standards and place a strong emphasis on quality for our products. Our Sambalpur and Jamuria manufacturing plants have obtained quality certifications such as ISO 9001:2015, ISO 14001: 2015, ISO 45001: 2018 and ISO OHSAS 18001:2007. We have also achieved cost efficiencies by utilising waste materials or by-products as raw material inputs for other products and processes.

We have a relatively better financial strength as compared to other companies operating in the long and intermediary steel sector (*Source: CRISIL Report*). We had reported healthy operational as well as financial growth despite downturns in the industry (especially during Fiscal 2009 and Fiscal 2015) (*Source: CRISIL Report*). Our revenue from operations increased at a CAGR of 6.56% from ₹ 38,425.66 million in Fiscal 2018 to ₹ 43,628.86 million in Fiscal 2020 and was ₹ 39,330.84 million in the nine months ended December 31, 2020. Our EBITDA amounted to ₹ 6,340.53 million and ₹ 7,173.17 million in Fiscal 2020 and the nine months ended December 31, 2020, respectively. Further, according to the CRISIL Report, our Company is also the least leveraged group among its peers. As of March 31, 2018, 2019 and 2020 and as of December 31, 2020, our Gross Debt to Equity ratio was 0.30, 0.29, 0.47 and 0.27, respectively. Our RoCE for Fiscals 2018, 2019 and 2020 and for the nine months ended December 31, 2020 was 19.58%, 24.69%, 9.49% and 13.30%, respectively.

On account of the COVID-19 pandemic, India had imposed a nationwide lockdown on March 24, 2020. However, since manufacturing of steel was determined to be an essential commodity, we continued operations at our Sambalpur manufacturing plant, however, our Jamuria and Mangalpur manufacturing plants were operating with few operational production plants and limited workforce, and only after May 23, 2020, our Jamuria and Mangalpur manufacturing plants increased their operations and workforce in a phased manner in accordance with the specific directions/ guidelines issued by the State Government. Further, our manufacturing plants are currently operating subject to certain social distancing and additional safety measures, such as, regular temperature checks, regular sanitization, and compulsory use of masks and hand sanitization. Despite of the impact of the COVID-19 pandemic, our revenue from operations increased by 19.80% from ₹ 32,830.94 million in the nine months ended December 31, 2019 to ₹ 39,330.84 million in the nine months ended December 31, 2020. For further information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations – Impact of the COVID-19 pandemic*" on page 289.

We are led by our individual Promoters, Mahabir Prasad Agarwal, Brij Bhushan Agarwal and Sanjay Kumar Agarwal, who have several decades, respectively, of experience in the steel and ferro alloys industry and have been instrumental in the growth of our Company. We have a diversified Board of Directors, which is supplemented by a strong senior management team with significant experience in the metal industry. As of December 31, 2020, we had a workforce of 11,457 personnel comprised 5,841 permanent employees and 5,616 contract employees for our operations.

PRESENTATION OF FINANCIAL INFORMATION

Our restated consolidated Ind AS summary statements of assets and liabilities as at December 31, 2020, December 31, 2019, March 31, 2020, March 31, 2019 and March 31, 2018, and the restated consolidated Ind AS summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the nine months ended December 31, 2019 and December 31, 2020, and for the years ended March 31, 2020, March 31, 2019 and March 31, 2018, 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 nine months ended December 31, 2019 and December 31, 2020 prepared in accordance with Ind AS 34, and our audited consolidated financial statements as at and for the years ended March 31, 2020, March 31, 2019 and March 31, 2018 each prepared in accordance with Ind AS, and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Our business and results of operations have been affected by a number of important factors that we believe will continue to affect our business and results of operations in the future. These factors include the following:

Sales Volume and Prices for Steel and Ferro Products

Our results of operations are significantly impacted by sales volume and prices of our long steel products (comprising of intermediate and final products) and ferro alloys, which can vary widely.

Long steel product prices increased by approximately 7% on-year in Fiscal 2020 on account of faster recovery in infrastructure space and is expected to increase to ₹ 43,000 to 44,500 per tonne in Fiscal 2021. Further, the long steel products prices are expected to increase by 3% to 5% in Fiscal 2021 primarily on account of healthy demand recovery and rising cost push from iron ore. Further, primary long steel prices increased by 0.8% in Fiscal 2020 to ₹ 40,380 per tonne. However, secondary TMT prices experienced a decline primarily due to lower bargaining power. In Fiscal 2019, long steel prices had increased by 11% on-year on account of healthy rise in long steel demand supported by rising iron ore and scrap prices. In addition, international ferrochrome prices declined by 13% on-year to $899 per tonne in Fiscal 2020 on account of weak demand in China coupled with global oversupply. Domestic prices for ferrochrome followed a similar trend with 16% on-year decline in prices to ₹ 62,975 per tonne on account of weak demand. Going forward, prices for ferrochrome are expected to moderately increase in Fiscal 2021 due to severe chrome ore supply disruptions. In relation to manganese alloy, prices are expected to decline in Fiscal 2021 by 3-5% on-year due to declining demand as both global and domestic crude steel production to fall due to weak demand on account of the COVID-19 pandemic. Moreover, falling domestic manganese ore prices due to decline in global manganese ore prices due to oversupply situation to further weigh on the alloy prices. The first four months of Fiscal 2021 experienced a 6% decline in domestic ferro manganese prices. Supply rebalancing led by higher output from China and Malaysia coupled with moderating crude steel demand led to decline in global prices in Fiscal 2020. Similarly, domestic ferromanganese prices declined by 8% primarily owing to low demand as domestic crude steel production fell by 1.5%. (*Source: CRISIL Report*)

The market for steel and ferro alloys is substantially driven by changes in supply and demand in the Indian and global steel and ferro alloy markets, which are significantly affected by the state of the Indian and global economy and competition and consolidation within the steel and ferro alloy industry. Our sales also depends on the price of our products in the domestic and international markets which in turn, depend upon a combination of factors, including demand and supply, the availability and cost of raw materials, fluctuations in the volume of imports, transportation costs, protective trade measures and various social and political factors, and are sensitive to the trends of particular industries, such as, the construction and machinery industries, which are among the biggest consumers of steel products.

India steel demand has increased at a CAGR of approximately 5.4% during Fiscal 2015 to Fiscal 2020. Going forward, steel demand is expected to recover and continue its strong growth rate at 5.0% to 6.0% through Fiscal 2025 supported by the Government led initiatives especially affordable housing and infrastructure projects in metro, road, and urban infra space (which are more steel intensive). Further, the Government's impetus on infrastructure is expected to drive double digit steel demand growth in Fiscal 2022. (*Source: CRISIL Report*) In addition, the implementation of GST has helped us to avail input tax benefit for our purchases irrespective of whether they are purchased intra-state or inter-state as compared to only intra-state purchases prior to GST implementation. This has assisted us in offering our products at competitive prices.

Product and Market Mix

Our product mix also affects our revenue and profitability. Our intermediate products are either sold independently or used as raw materials for the manufacture of long steel products. Our final products such as TMT, 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 high value-added products should increase revenue and profitability. With respect to the steel industry, our manufacturing facilities offer a wide range of products to cater to the entire value chain, including iron pellets, sponge iron, steel billets, TMT, structural products and wire rods that cater to a variety of industries. We also sell ferro alloys such as ferro chrome, ferro manganese and silico manganese. For more information on our product portfolio, please see "*Our Business—Products*" on page 138.

Availability and cost of raw material and other expenses

Our manufacturing plants are located near to source of raw materials and have strong logistics infrastructure, such as captive railway siding, close proximity to national highways and ports. We believe we are therefore able to reduce the logistical costs associated with the transportation of raw materials and products to and from our manufacturing plants. We regularly revisit our logistics roadmap to ensure cost and time-efficient movement of raw materials to our manufacturing plants and products to our customers. Our manufacturing plants are located within 250 kilometres of the mineral belt in eastern India including iron ore, manganese ore, chrome and coal mines, our primary raw materials. We source (i) iron ore / iron ore fines from the mines located in Odisha; (ii) chrome ore through linkage with Odisha Mining Corporation Limited, other mine owners and imports; (iii) manganese ore from MOIL Limited, other mine owners and imports; and (iv) coal from long term coal linkages with Mahanadi Coalfields Limited, Central Coalfields Limited and Eastern Coalfields Limited, and imports. In Fiscals 2018, 2019 and 2020 and the nine months ended December 31, 2020, cost of materials consumed amounted to ₹ 22,967.91 million, ₹ 27,827.72 million, ₹ 27,182.24 million and ₹ 24,373.60 million, respectively, accounting for 58.59%, 59.40%, 61.84% and 61.00%, respectively, of our total income in the same periods. Our results may be impacted by certain events, such as, collision, grounding, storm, fire, explosion, lightning, political instability, allotment of rakes and allotment of berths for cargo ships for our imports, which adversely impact our access to key raw materials and transportation of our products to our customers.

Employee benefits expenses and other expenses (including consumption of stores and spare parts, power, fuel and electricity, delivery and handling charges, repairs and rates and taxes) constitute a large portion of our total expenditure. In Fiscals 2018, 2019 and 2020 and the nine months ended December 31, 2020, employee benefits expenses amounted to ₹ 1,064.46 million, ₹ 1,450.25 million, ₹ 1,683.55 million and ₹ 1,247.35 million, respectively, accounting for 2.72%, 3.10%, 3.83% and 3.12%, respectively, of our total income in the same periods. While, in Fiscals 2018, 2019 and 2020 and the nine months ended December 31, 2020, other expenses amounted to ₹ 5,689.96 million, ₹ 7,303.91 million, ₹ 8,709.89 million and ₹ 6,336.32 million, respectively, accounting for 14.51%, 15.59%, 19.82% and 15.86%, respectively, of our total income in the same periods. Although these costs are not subject to the same level of volatility as raw material costs, which fluctuate significantly depending on market conditions, the relatively fixed nature of such costs may have a material adverse impact on profitability during times of low production, as such costs cannot be reduced in accordance with our lower production volume.

Recent Capacity Expansions and Capacity Utilization

We are continuing to expand our operations organically. We have recently undertaken various expansions of our manufacturing plants. For instance, (i) at our Sambalpur manufacturing plant, we installed (a) two iron pellet plants of 300,000 TPA and 600,000 TPA, sponge iron plant of 165,000 TPA, TMT plant of 60,000 TPA, wire rod plant of 200,000 TPA and a captive power plant of 33 MW in Fiscal 2020; and (b) a billet plant of 63,360 TPA in Fiscal 2019; and (ii) at our Jamuria manufacturing plant, we installed (a) a 115,500 TPA sponge iron plant and 95,040 TPA billet in the nine months ended December 31, 2020; (b) an iron pellet plant of 600,000 TPA, a sponge iron plant of 99,000 TPA, a billet plant of 168,960 TPA, a TMT plant of 106,992 TPA, a wire rod plant of 200,000 TPA and a captive power plant of 30 MW in Fiscal 2020; and (c) a ferro alloy plant of 14,000 TPA in Fiscal 2019. For further information in relation to our capacity expansions, see "*History and Certain Corporate Matters - Major events and milestones of our Company*" on page 159.

We are also in the process of increasing the capacities of our existing manufacturing plants and captive power plants, which is expected to increase our aggregate installed metal capacity (comprising of intermediate and final products) from 5.71 MTPA, as of December 31, 2020, to 11.60 MTPA and captive power plants aggregate installed capacity from 227 MW, as of December 31, 2020, to 357 MW. These proposed expansions are expected to become operational between Fiscal 2022 and Fiscal 2025. In addition, we are in the process of commissioning an aluminium foil rolling mill at Pakuria in West Bengal with a proposed installed capacity of 0.04 MTPA, which is expected to become operational in Fiscal 2022. For further details see "*Our Business – Our Strategies – Expansion of our capacities*" on page 136.

Expansion programs generally entail significant capital and operating expenditures, including cash consideration paid or debt incurred in connection with the expansion, marketing of new products and services and the addition of new employees. If successful, such expansion programs may lead to significant production and sales growth. Accordingly, such initiatives affect the comparability of the results of operations for different periods.

We have been working towards optimum capacity utilization and increasing operational efficiencies. 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 recent capacity expansions. Strengthening internal processes, work flow and optimizing manpower utilization through multi-skills training are the key focus areas for us.

Seasonality of business

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.

Government Policy

The various policies, regulations and schemes of the Government of India affect our business, results of operations and financial conditions. The Government of India approved the National Steel Policy in May 2017 ("**NSP**") which seeks to enhance domestic steel consumption, ensure high quality steel production, and create a technologically advanced and globally competitive steel industry. The NSP also serves as a long-term policy goal aimed at creating incremental demand and augmenting steel exports. (*Source: CRISIL Report*) The NSP amongst others also provides for ensuring availability of raw materials, such as, iron ore, coking coal and non-coking coal, natural gas, etc., at competitive rates through, amongst others, policy measures and asset acquisitions, focusing on pelletisation, through investment in slurry pipelines and conveyors and increase in consumption of steel across major segments of infrastructure, automobiles, and housing, resulting in a potential rise in per capita steel consumption. Further, NSP aims to export approximately 24 MT of steel by 2030 (*Source: CRISIL Report*). The Government of India has also initiated measures such as "Housing for All" which may lead to an increase in demand for steel. In addition, certain other key governmental projects which are expected to increase steel demand, include (i) the National Capital Goods Policy, which was launched with an objective of increasing production of capital goods from ₹ 2,300 billion in 2014-15 to ₹ 7,500 billion in 2025 and raising direct and indirect employment from the current 8.4 million to 30 million. The policy also aims to facilitate improvement in technology depth across sub-sectors, increase skill availability, ensure mandatory standards and promote growth and capacity building of MSMEs; (ii) *Bharatmala Pariyojana*: *Bharatmala* is a new umbrella program for the highways sector that focuses on optimizing efficiency of road traffic movement across India by bridging critical infrastructure gaps; and (iii) railways and metros, which includes Governments' focus on building dedicated freight corridors by June 2022 (*Source: CRISIL Report*).

Impact of COVID-19 pandemic

The COVID-19 pandemic has resulted in a significant economic downturn in India and globally, and has also led to significant disruptions and volatility in capital and financial markets, liquidity, economic conditions and trade and could continue to do so or could worsen for an unknown period of time, that could in turn have a material adverse impact on our business, cash flows, results of operations and financial condition, including liquidity and growth.

As per World Steel Association, global steel demand is expected to contract by 2.4% in 2020 and drop to 1,725 MT due to the COVID-19 pandemic. However, demand is expected to recover 1,795 MT and grow 4.1% in 2021. The COVID-19 pandemic and subsequent lockdown has resulted in provided further difficulties to the small and medium size long steel players. While the finished product prices have been increasing since the third quarter of Fiscal 2021, the rising raw materials prices, particularly, iron ore and issues pertaining to its availability due to logistics constraints had added to the difficulties of these players. In relation to sponge iron, standalone sponge iron players have weak a credit profile. The debt-servicing ratios have been declined over the past few years on account of lower profitability. Lower realisations along with high raw material cost have severely impacted the profitability of these players. Gross contribution narrowed to ₹ 4,056 per tonne in Fiscal 2020 due to 18% fall in sponge iron prices. (*Source: CRISIL Report*)

On March 14, 2020, India declared COVID-19 as a 'notified disaster' and imposed a nationwide lockdown announced on March 24, 2020. Subsequently, progressive relaxations have been granted for movement of goods and people and cautious re-opening of businesses and offices. However, since manufacturing of steel was determined to be an essential commodity, we continued operations at our Sambalpur manufacturing plant, however, our Jamuria and Mangalpur manufacturing plants were operating with few operational production plants and limited workforce, and only after May 23, 2020, our Jamuria and Mangalpur manufacturing plants increased their operations and workforce in a phased manner in accordance with the specific directions/ guidelines issued by the State Government.Further, our manufacturing plants are currently operating subject to certain social distancing and additional safety measures, such as, regular temperature checks, regular sanitization, and compulsory use of masks and hand sanitization. The COVID-19 pandemic resulted in some disruptions in the supply of raw materials from our domestic and international suppliers during the months of March, April and May 2020. Despite of the impact of the COVID-19 pandemic, our revenue from operations increased by 19.80% from ₹ 32,830.94 million in the nine months ended December 31, 2019 to ₹ 39,330.84 million in the nine months ended December 31, 2020.

Further, our Statutory Auditors have in their reports to the audited financial statements for nine months period ended December 31, 2020 and for the year ended March 31, 2020 included an emphasis of matter on impact of COVID-19 on our operations. The extent to which the COVID-19 impacts our business and results will depend on future developments, which are highly uncertain and cannot be predicted, such as new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. In addition, we cannot predict the impact that the COVID-19 pandemic will have on our customers, suppliers and other business partners, and each of their financial conditions; however, any material effect on these parties could adversely impact us. As a result of these uncertainties, the impact may vary significantly from that estimated by our management from time to time, and any action to contain or mitigate such impact, whether government-mandated or opted by us, may not have the anticipated effect or may fail to achieve its intended purpose altogether.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

The following table sets forth certain information in relation to the Subsidiaries, Associates and Joint Ventures of our Company included in the Restated Financial Statements as follows:

Name of Companies	Country of Incorporation	As of December 31, 2020	As of 31, December 2019	As of March 31, 2020	As of March 31, 2019	As of March 31, 2018
Subsidiary						
Shyam Sel and Power Limited	India	100.00%	100.00%	100.00%	100.00%	82.70%
Shyam Business Solutions Private Limited	India	NA	NA	NA	NA	54.33%
Damodar Aluminum Private Limited	India	54.15%	54.15%	54.15%	54.15%	54.15%
Singhbhum Steel & Power Private Limited	India	91.45%	91.45%	91.45%	91.45%	91.45%
Shyam Ores (Jharkand) Private Limited (up to June 18, 2020)	India	NA	100.00%	100.00%	100.00%	50.00%
Renaissance Hydro Power Private Limited	India	100.00%	100.00%	100.00%	100.00%	99.80%
Kalinga Infra Projects Ltd. (w.e.f. August 19, 2019)	India	49.60%	49.60%	49.60%	NA	NA
Step Down Subsidiary						
Whispering Developers Private Limited	India	67.57%	67.57%	67.57%	67.57%	56.03%
Taurus Estates Private Limited	India	89.29%	89.29%	89.29%	89.29%	74.04%
Shyam Energy Limited	India	86.46%	86.46%	86.46%	86.46%	71.70%
Hrashva Storage and Warehousing Private Limited (w.e.f. April 11, 2019)	India	100.00%	100.00%	100.00%	NA	75.85%
Meadows Housing Private Limited	India	99.05%	99.05%	99.05%	71.43%	82.14%
Shree Sikhar Iron & Steel Pvt Ltd	India	100.00%	100.00%	100.00%	0.00%	NA
Nirjhar Commodities	India	58.00%	58.00%	73.00%	0.00%	NA
Associate						
Meghana Vyapaar Private Limited	India	33.51%	33.51%	33.51%	33.51%	33.51%
Kecons Tradecare Private Limited	India	47.32%	47.32%	47.32%	47.32%	47.32%
Kolhan Complex Private Limited	India	49.88%	49.88%	49.88%	29.87%	29.87%
Joint Venture						
MJSJ Coal Limited	India	9%	9%	9%	9%	9%
Kalinga Energy and Power Limited	India	50%	50%	0.00%	50%	50%

Summary of Significant Accounting Policies

Revenue

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, and goods and service tax. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company regardless of when the payment is being made.

Sale of goods

Revenue from sale of products is recognized when the Company transfers the control of goods to the customer as per the terms of contract. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In the context of the sale of the products, separate performance obligations may arise from freight and transport services as well as from services directly related to the sale of the products. These services are generally performed at the time thatthe control of the products is transferred. In a few exceptional cases, the freight and transport services are performed after the control of the products has been transferred. In accordance with IND AS 115, the revenue relating to these freight and transport services is realised later than the corresponding product revenue. In determining the transaction price, the Company considers the effects of variable consideration such as discounts, volume rebates, or other contractual price reductions, the existence of significant financing component, non-cash considerations andconsideration payable to the customer (if any). However, variable consideration is only included if it is highly probable that a significant reversal of revenue will not occur once the uncertainty related to the variable consideration is resolved.

In case of domestic sales, the company believes that the control gets transferred to the customer on dispatch of the goods from the factory and in case of exports, revenue is recognised on passageof control as per the terms of contract / incoterms. Variable consideration in the form of volume rebates is recognised at the time of sale made to the customers and are offset against the amounts payable by them.

Conversion Income

Revenue from sale of service is recognised when control has been transferred to the buyer usually when the delivery of goods after due process of conversion takes place, revenue is booked when all the performance obligations are satisfied. In determining the transaction price, the Company considers the effects of variable consideration such as discounts, volume rebates, or other contractual price reductions, the existence of significant financing component, non-cashconsiderations and consideration payable to the customer (if any). However, variable considerationis only included if it is highly probable that a significant reversal of revenue will not occur once the uncertainty related to the variable consideration is resolved.

Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding andthe effective interest rate applicable.

Dividend income

Dividend income from investments is recognised when the shareholder's rights to receive paymenthave been established.

Property, plant and equipment

Recognition and initial measurement

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measuredreliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of thereplaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Impairment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as part of cost of the qualifying assets.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of profit and loss.

On the date of transition to Ind AS that is 01-04-2015 the company had taken fair value for land and building and plant and equipment as its deemed cost.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the incomestatement when the asset is derecognized.

Intangible assets (excluding goodwill)

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Useful lives of intangible assets
Estimated useful lives of the intangible assets are as follows:

Class of assets	Years
Computer software	3 to 5 years

Depreciation and amortisation property plant and equipment and intangible assets

Depreciation or amortisation is provided so as to write off, on a Written down value basis, the cost of property, plant and equipment and other intangible assets to their residual value. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives as per the useful life prescribed in Schedule II to the Companies Act, 2013, or, as per technical assessment, or, in the case of leased assets, over the lease period, if shorter. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use.

In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act in the below mentioned assets. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets.

Asset Class	Company Policy	As per Schedule II
Non Factory Building	5-60 years	60 years
Office Equipment	3-5 years	5 years
Plant and Machineries	5-40 years	20-40 years

Freehold land is not depreciated.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

Impairment of non-financial assets

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or CGU) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term and the lease term is as follows.

Class of assets	Years
Leasehold land	99 years
Buildings	2 to 5 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Goodwill

Goodwill arising on the acquisition of a subsidiary represents the excess of the consideration transferred in the business combination over the Group’s interest in the net fair value of the identifiable assets acquired, liabilities assumed and contingent liabilities recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at costless any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group’s cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit’s value may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying value of the unit, the impairment loss is allocated first to reduce the carrying value of any goodwill allocated to the unitand then to the other assets of the unit in proportion to the carrying value of each asset in the unit.

An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

Investment in associates

Associates are those enterprises in which the Group has significant influence but does not have control.

Investments in associates are accounted for using the equity method and are initially recognised at cost, from the date significant influence commences until the date that significant influence ceases. Subsequent changes in the carrying value reflect the post-acquisition changes in the Group’s shareof net assets of the associate and impairment charges, if any.

When the Group’s share of losses exceeds the carrying value of the associate, the carrying value is reduced to nil and recognition of further losses is discontinued, except to the extent that the Group has incurred obligations in respect of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group’s interest in the associates, unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred and where material, the results of associates are modified to confirm to the Group’s accounting policies.

Clarification that measuring investment at fair value through profit or loss is an investment by investment choice:

i) An entity that is a venture capital organisation or other qualifying entity, may elect at initial recognition on an investment by investment basis, to measure its investment in associates and joint venture at fair value through profit or loss.

ii) If an entity, that is not itself an investment entity, has an interest in an associates or joint venture that is an investment entity may, when applying the equity method, elect or retain the fair value measurement applied by that investment entity, associate or joint venture to the investment entity associate's or joint venture's interest in subsidiaries. This election is made separately for each investment entity associates or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognised; (b) the associates or joint venture becomes an investment entity; and (c) the investment entity associates or joint venture first becomes a parent.

Interest in joint arrangements

A joint arrangement is a contractual arrangement whereby the Group and other parties undertake an economic activity where the strategic financial and operating policy decisions relating to the activities of the joint arrangement require the unanimous consent of the parties sharing control.

Where Group entity undertakes its activities under joint arrangements directly, the Group's share of jointly controlled assets and any liabilities incurred jointly with other parties are recognized in its financial statements and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in jointly controlled assets are accounted for on the accrual basis. Income from the sale or use of the Group's share of the output of jointly controlled assets, and its share of joint arrangements expenses, are recognized when it is probable that the economic benefits associated with the transactions will flow to the Group and their amount can be measured reliably.

Joint arrangements that involve the establishment of a separate entity in which each venturer has an interest are referred to as joint ventures. The Group reports its interests in joint ventures using the equity method of accounting whereby an interest in joint venture is initially recorded at cost and adjusted thereafter for post-acquisition changes in the Group's share of net assets of the joint venture. The consolidated statement of profit and loss reflects the Group's share of the results of operations of the joint venture.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either, in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputsand minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Restated Consolidated Ind AS Summary Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

For assets and liabilities that are recognized in the Restated Consolidated Ind AS Summary Statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

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

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions;
- Quantitative disclosures of fair value measurement hierarchy;
- Investment in quoted and unquoted equity shares;
- Financial instruments.

Current versus non-current classification

Our Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Use of estimates and critical accounting judgements

In preparation of the restated consolidated Ind AS summary statements, our Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities includeuseful lives of property, plant and equipment and intangible assets, impairment of property, plantand equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

Financial Instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition:

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

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following line:

- The entity's business model for managing the financial assets; and
- The contractual cash flow characteristics of the financial asset.

Amortised Cost

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets 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.

Fair Value through Other Comprehensive Income

A financial asset shall be classified and measured at fair value through Other Comprehensive Income if both of the following conditions are met:

- The financial asset 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.

The Company in respect of unquoted equity investments which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Fair Value through Profit or Loss

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through Other Comprehensive Income.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Company has measured quoted equity instruments at fair value through profit or loss.

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at fair value through profit and loss

Financial liabilities are classified as at fair value through profit and loss when the financial liability is held for trading or are designated upon initial recognition as fair value through profit and loss:

Gains or Losses on liabilities held for trading are recognised in the statement of profit and loss.

Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Inventories

Raw materials are valued at cost on FIFO basis.

Traded goods are valued on FIFO basis.

Work-in-progress and Finished Goods are valued at lower of Cost or Net Realizable Value on weighted average or FIFO basis, as applicable. Cost is taken as Factory cost of the products.

By products are valued at estimated Net Realizable Value and Stores and Spares on Weighted Average Basis.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Government grants

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with and the grants will be received. Grants related to assets are treated as deferred income and are recognized as other income in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset. Grants related to income are recognized on a systematic basis over the periods necessary to match them with the related costs which they are intended to compensate and are deducted from the expense in the Statement of Profit and Loss

Borrowing costs

Borrowings 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 an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs.

Trade **receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within the credit period allowed. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Long term trade payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying our Company's accounting policies, our management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Useful Life

In preparation of the financial statements, our Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using other valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow ("**DCF**") model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

MATERIAL ADJUSTMENTS TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

For information relating to material adjustments to the Restated Financial Information and notes thereon, see "*Financial Statements – Annexure VI - Notes to Restated Consolidated Financial statements - Material Adjustments to Restated Consolidated Financial Statements and notes thereon*" on page 280.

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 Fiscals 2018, 2019 and 2020, and in the nine months ended December 31, 2019 and 2020.

PRINCIPAL COMPONENTS OF INCOME AND EXPENSES

Income

Our total income comprises (i) revenue from operations, and (ii) other income.

Revenue from Operations

Our revenue from operations primarily comprises the following:

- sale of manufactured products which consists of sale of our long steel products (comprising of intermediate and final products) and ferro alloys;
- sale of services which consists of conversion charges levied in respect of conversion of manganese ore to silico manganese, chrome ore to ferro chrome and hot rolled coils to pipes for an Indian steel conglomerate;
- sale of traded goods which consists of trading of ferro alloy products, billet and iron pellet;
- sale of power which consists of revenue from sale of power generated from our 5.1 MW capacity wind mill, as of December 31, 2020, at Sangli, Maharashtra to Maharashtra State Electricity Distribution Company Limited; and
- By product which consists of, amongst others, sale of slag, flyash and scrap.

Other Income

Other income includes: (i) operating income which comprises of export incentives primarily received under the Merchandise Exports from India Scheme and Duty Drawback Scheme; (ii) recurring income which comprises of interest received on financial assets carried at amortised cost from deposits, loans, bonds and others; and (iii) non-recurring income which primarily comprises of exchange gain fluctuations (net), provisions no longer required written back, fair value profit on forward contracts, profit on sale of mutual fund, rent and interest from AIF/ bond.

Expenses

Our expenses comprise (i) cost of materials consumed; (ii) purchase of stock-in-trade; (iii) excise duty (applicable until July 2017); (iv) changes in inventories of finished goods, stock in trade and work-in-progress; (v) employee benefits expense; (vi) finance costs; (vii) depreciation and amortisation expense; and (viii) other expenses.

Cost of materials consumed

Cost of materials consumed primarily consists of purchase of raw materials, such as, iron ore fines, coal, pig iron, manganese ore, chrome ore, coke and related materials. The high-sea sales of coal, chrome ore and coke are netted from our cost of materials consumed.

Purchase of stock-in-trade

Purchase of stock-in-trade consists of purchase of traded goods which primarily consist of ferro alloy products, iron pellets and structural products.

Excise duty

Excise duty is the excise duty paid to the Government on the manufacture of our products. Due to the implementation of GST, excise duty was payable until June 30, 2017 for Fiscal 2018.

Changes in inventories of finished goods, stock in trade and work in progress

Changes in inventories of finished goods, stock in trade and work in progress represents the net increase or decrease in finished goods, work-in-progress, by-products, traded goods, consignment stock at the beginning of the year and end of the year.

Employee benefits expense

Employee benefits expense consists of salary, wages and allowances, contribution to provident and other funds, and staff welfare.

Finance costs

Finance costs includes interest expense on borrowings and for lease liability, exchange differences to the extent considered as an adjustment to borrowings and other borrowing costs, such as, bank charges.

Depreciation and amortization expense

Depreciation and amortization expense comprises of (i) depreciation; (ii) depreciation on right of use assets; and (iii) amortization.

Other expenses

Other expenses primarily includes (i) consumption of stores and spares parts; (ii) power, fuel and electricity; (iii) rates and taxes; (iv) labour charges; (v) , repairs and maintenance, power, fuel and electricity, rent and hire, rates and taxes, labour charges, freight, brokerage and commission on sales, legal and professional expenses and miscellaneous expenses.

NON-GAAP MEASURES

EBITDA (Earnings Before Interest Tax Depreciation and Amortization) and EBITDA Margin

EBITDA and EBITDA Margin, presented in this Draft Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, EBITDA and EBITDA Margin are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ 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, IFRS or US GAAP. In addition, EBITDA and EBITDA Margin, are not standardised terms, hence a direct comparison of these Non-GAAP measures between companies may not be possible. Other companies may calculate these Non-GAAP measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

Reconciliation of EBITDA, EBITDA Margin and Gross Debt to EBITDA to Profit before tax

The table below reconciles profit before tax to EBITDA, EBITDA Margin and Gross Debt to EBITDA. EBITDA is calculated as profit before taxes for the year plus interest costs and depreciation and amortization expense less other non-operating income, while EBITDA Margin is the percentage of EBITDA divided by operating income (calculated as revenue from operations (net of excise duty) plus export incentives received).

Particulars	**Fiscal**			**Nine Months ended December 31,**	
	2018	**2019**	**2020**	**2019**	**2020**
	(₹ million)				
Profit before tax (I)	5,173.86	7,638.97	2,954.63	2,220.98	5,062.61
Add: Interest costs (II)	385.90	470.55	608.97	462.66	401.61
Add: Depreciation and amortization expense (III)	2,150.47	1,945.76	2,966.49	2,035.31	2,199.70
Less: Other non-operating income	561.49	487.49	189.56	237.75	490.75
Earnings before interest, taxes, depreciation and amortization expenses (EBITDA) IV = I + II +- III	**7,148.74**	**9,567.79**	**6,340.53**	**4,481.20**	**7,173.17**
Operating Income(1) (V)	37,688.45	46,358.11	43,763.46	32,926.73	39,465.57
EBITDA Margin (EBITDA as a percentage of operating income) VI = (IV/V)	**18.97%**	**20.64%**	**14.49%**	**13.61%**	**18.18%**
Gross Debt(2)	5,641.03	7,221.14	13,304.78	10,410.34	8,862.92
Gross Debt(2) / EBITDA	**0.79**	**0.75**	**2.10**	**2.32**	**1.24**

(1) Operating income is calculated as revenue from operations (net of excise duty) plus export incentives received.
(2) Gross Debt is calculated as long term debt plus short term debt and Current maturity of long term debt.

Interest Coverage Ratio

Interest coverage ratio is a non-GAAP measure that is calculated as the sum of profit before taxes for the year plus interest costs and depreciation and amortization expense less other non-operating income, divided by interest costs as per financial statements (includes interest on debentures, term loans and banks and others). The following table sets forth the reconciliation of our interest coverage ratio for the periods indicated:

Reconciliation of Interest Coverage Ratio

Particulars	Fiscal			Nine Months ended December 31,	
	2018	2019	2020	2019	2020
	(₹ million)				
Profit before tax (I)	**5,173.86**	**7,638.97**	**2,954.63**	**2,220.98**	**5,062.61**
Add: Interest costs (II)	385.90	470.55	608.97	462.66	401.61
Add: Depreciation and amortization expense (III)	2,150.47	1,945.76	2,966.49	2,035.31	2,199.70
Less: Other non-operating income	561.49	487.49	189.56	237.75	490.75
Earnings before interest, taxes, depreciation and amortization expenses (EBITDA) IV = I + II + - III	**7,148.74**	**9,567.79**	**6,340.53**	**4,481.20**	**7,173.17**
Interest costs as per financial statement (includes interest on debentures, term loans, lease liabilities and banks and others)	385.90	470.55	608.97	462.66	401.61
Total interest costs (B)	**385.90**	**470.55**	**608.97**	**462.66**	**401.61**
Interest Coverage Ratio (A)/ (B)	**18.52**	**20.33**	**10.41**	**9.69**	**17.86**

RESULTS OF OPERATIONS

NINE MONTHS ENDED DECEMBER 31, 2020 COMPARED TO NINE MONTHS ENDED DECEMBER 31, 2019

The following table sets forth certain information relating to our results of operations for the nine months ended December 31, 2019 and nine months ended December 31, 2020:

Particulars	Nine months ended December 31, 2019		Nine months ended December 31, 2020	
	(₹ million)	Percentage of total income	(₹ million)	Percentage of total income
Income				
Revenue from operations	32,830.94	98.99%	39,330.84	98.43%
Other income	333.54	1.01%	625.48	1.57%
Total Income	**33,164.48**	**100.00%**	**39,956.32**	**100.00%**
Expenses				
Cost of materials consumed	21,220.50	63.99%	24,373.60	61.00%
Purchases of Stock-in-Trade	336.43	1.01%	45.72	0.11%
Excise duty	-	-	-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(764.38)	(2.30)%	134.09	0.34%
Employee benefits expense	1,229.53	3.71%	1,247.35	3.12%
Finance cost	608.66	1.84%	558.44	1.40%
Depreciation and amortisation expense	2,035.31	6.14%	2,199.70	5.51%
Other expenses	6,282.79	18.94%	6,336.32	15.86%
Total expenses	**30,948.84**	**93.32%**	**34,895.22**	**87.33%**
Profit/(loss) before Share of Profit/(Loss) of associates and joint venture and tax	**2,215.64**	**6.68%**	**5,061.10**	**12.67%**
Share in profits/(loss) from Associate and Joint Venture	5.34	0.02%	1.51	0.00%
Profit/(loss) before tax	**2,220.98**	**6.70%**	**5,062.61**	**12.67%**
Tax expenses				
Current tax	466.75	1.41%	917.43	2.30%
Deferred tax	(849.38)	(2.56)%	(418.03)	(1.05)%
Profit/(loss) for the period	**2,603.62**	**7.85%**	**4,563.21**	**11.42%**
Profit for the Year attributable to:	**2,603.62**	**7.85%**	**4,563.21**	**11.42%**
Profit/ Loss attributable to Non-Controlling Interest	(2.12)	(0.01)%	(0.02)	0.00%
Profit/ Loss attributable to owners of the parent	2,605.73	7.86%	4,563.23	11.42%
Other comprehensive income				
(i) Items that will not be reclassified to profit and loss				
- Remeasurement of Defined Benefit Plan	(27.24)	(0.08)%	1.39	0.00%
- Gains and losses from investments in equity instruments designated at fair value through other	35.41	0.11%	46.46	0.12%

Particulars	Nine months ended December 31, 2019		Nine months ended December 31, 2020	
	(₹ million)	**Percentage of total income**	**(₹ million)**	**Percentage of total income**
(ii) Income tax relating to items that will not be reclassified to profit or loss	2.19	0.01%	(8.96)	(0.02)%
Other comprehensive income for the year (net of taxes)	**10.36**	**0.03%**	**38.89**	**0.10%**
Total comprehensive income for the Period	**2,613.97**	**7.88%**	**4,602.10**	**11.52%**

Income

Total income increased by 20.48% from ₹ 33,164.48 million in the nine months ended December 31, 2019 to ₹ 39,956.32 million in the nine months ended December 31, 2020 primarily due to the reasons discussed below.

Revenue from Operations

Revenues from operations increased by 19.80% from ₹ 32,830.94 million in the nine months ended December 31, 2019 to ₹ 39,330.84 million in the nine months ended December 31, 2020, primarily due to the following reasons:

(i) Our revenue from sale of manufactured products increased by 22.45% from ₹ 31,661.43 million in the nine months ended December 31, 2019 to ₹ 38,768.04 million in the nine months ended December 31, 2020. This increase was primarily due to an increase in (i) realization of average sales price per tonne of our manufactured products; and (ii) the sales volume of our manufactured products.

We had also undertaken certain expansion plans resulting in an increase in our installed capacities. For instance, in the nine months ended December 31, 2020, we commissioned a 115,500 TPA sponge iron plant and 95,040 TPA billet plant at our Jamuria manufacturing plant. Further, the full period effect of the following expansions were realized only in nine months ended December 31, 2020, since these were commissioned during the nine months ended December 31, 2019: (i) 165,000 TPA sponge iron plant; 60,000 TMT plant; 200,000 wire rod plant at our Sambalpur manufacturing plant; and (ii) 99,000 TPA sponge iron plant; 1,68,960 TPA billet plant; 106,992 TPA TMT plant and 30 MW captive power plant at our Jamuria manufacturing plant. In addition, we commissioned (i) two iron pellet plants of 300,000 TPA and 600,000 TPA and a 33 MW captive power plant at Sambalpur manufacturing plant; and (ii) 600,000 TPA iron pellet plant and 200,000 TPA wire rod plant at Jamuria manufacturing plant during January, February and March 2020.

The following is a product wise break up of our revenue from sale of manufactured products:

(a) Our revenue from sale of iron pellets increased by 74.68% from ₹ 4,841.35 million in the nine months ended December 31, 2019 to ₹ 8,456.82 million in the nine months ended December 31, 2020 primarily due to an increase in our installed iron pellet capacity. Our revenue from sale of iron pellets also increased consequent to an increase in the average sales price per tonne of iron pellets.
(b) Our revenue from sale of sponge iron decreased by 36.03% from ₹ 6,881.66 million in the nine months ended December 31, 2019 to ₹ 4,402.09 million in the nine months ended December 31, 2020 primarily due to decrease in sales volume on account of transferring sponge iron to manufacture billet for captive consumption.
(c) Our revenue from sale of billets decreased by 36.41% from ₹ 8,520.39 million in the nine months ended December 31, 2019 to ₹ 5,417.82 million in the nine months ended December 31, 2020 primarily due to a decrease in sales volume by transferring billet to manufacture product (primarily comprising TMT, angle, wire rod, angle, channel and beam) for captive consumption. However, this decrease was offset by an increase in the average sales price per tonne of billets.
(d) Our revenue from sale of product (primarily comprising TMT, angle, wire rod, angle, channel and beam) significantly increased from ₹ 5,584.76 million in the nine months ended December 31, 2019 to ₹ 14,495.56 million in the nine months ended December 31, 2020 due to increase in sale volume and the average sales price per tonne for product (primarily comprising TMT, angle, wire rod, angle, channel and beam).
(e) Our revenue from sale of ferro alloy products marginally increased by 2.79% from ₹ 5,833.26 million in the nine month ended December 31, 2019 to ₹ 5,995.75 million in the nine months ended December 31, 2020 primarily due to an increase in sale volume.

(ii) Our revenue from sale of services decreased by 38.65% was ₹ 765.21 million in the nine months ended December 31, 2019 to ₹ 469.44 million in the nine months ended December 31, 2020 on account of reduction in conversion process and alternative utilization of capacity.

(iii) Our revenue from sale of traded goods was ₹ 40.59 million in the nine months ended December 31, 2020 compared to ₹ 278.55 million in the nine months ended December 31, 2020.

(iv) Our revenue from sale of power was ₹ 29.39 million in the nine months ended December 31, 2020 compared to ₹ 38.76 million in the nine months ended December 31, 2019.

(v) Our revenue from sale of by product was ₹ 23.38 million in the nine months ended December 31, 2020 compared to ₹ 86.82 million in the nine months ended December 31, 2019.

Other Income

Other income increased by 87.53% from ₹ 333.54 million in the nine months ended December 31, 2019 to ₹ 625.48 million in the nine months ended December 31, 2020. This increase was primarily due to an increase in (i) export incentive received by 40.65% from ₹ 95.79 million in the nine months ended December 31, 2019 to ₹ 134.73 million in the nine months ended December 31, 2020; (ii) exchange gain fluctuation (net) in the restatement and repayment of foreign currency loans from ₹ 29.27 million in the nine months ended December 31, 2019 to ₹ 158.39 million in the nine months ended December 31, 2020; and (iii) interest received on financial assets carried at amortised cost from deposits, loans, bonds and others by 20.90% from ₹ 50.01 million in the nine months ended December 31, 2019 to ₹ 60.46 million in the nine months ended December 31, 2020.

Expenses

Total expenses increased by 12.75% from ₹ 30,948.84 million in the nine months ended December 31, 2019 to ₹ 34,895.22 million in the nine months ended December 31, 2020, primarily due to the reasons discussed below.

Cost of Materials Consumed

Cost of materials consumed increased by 14.86% from ₹ 21,220.50 million in the nine months ended December 31, 2019 to ₹ 24,373.60 million in the nine months ended December 31, 2020. This increase was due to the increase in the purchase quantity of raw materials, such as, iron ore fines, coal, manganese ore, chrome ore, pig iron and coke which was in line with our increased production during this period along with an increase in the average purchase price per tonne. However, the cost of materials consumed as a percentage of sales of manufactured products decreased from 67.02% in the nine months ended December 31, 2019 to 62.87% in the nine months ended December 31, 2020.

Purchase of Stock-in-Trade

Purchase of stock-in-trade decreased was ₹ 45.72 million in the nine months ended December 31, 2020 compared to ₹ 336.43 million in the nine months ended December 31, 2019.

Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

Change in inventories of finished goods, stock in trade and work-in-progress amounted to ₹ 134.09 million in the nine months ended December 31, 2020 in comparison to ₹ (764.38) million in the nine months ended December 31, 2019. This was primarily due to approximately maintaining the same level in the opening and closing stock of finished goods, stock-in-trade and work-in progress during the periods and was in line with our increased production consequent to increase in our installed capacity.

Employee Benefit Expenses

Employee benefit expense increased by 1.45% from ₹ 1,229.53 million in the nine months ended December 31, 2019 to ₹ 1,247.35 million in the nine months ended December 31, 2020. This increase was primarily due to an increase in salaries and wages by 2.51% from ₹ 1,133.85 million in the nine months ended December 31, 2019 to ₹ 1,162.35 million in the nine months ended December 31, 2020 primarily on account of increase in the number of employees consequent to expansion of our installed capacities.

Finance Costs

Finance costs decreased by 8.25% from ₹ 608.66 million in the nine months ended December 31, 2019 to ₹ 558.44 million in the nine months ended December 31, 2020, primarily due to reduction in interest expense on borrowings by 13.20% from ₹ 462.66 million in the nine months ended December 31, 2019 to ₹ 401.61 million in the nine months ended December 31, 2020 consequent to decrease in our total borrowings by 14.86% from ₹ 10,410.34 million in the nine months ended December 31, 2019 to ₹ 8,862.92 million in the nine months ended December 31, 2020. This decrease was marginally offset by an increase in other borrowing costs, comprising of bank charges on bank guarantees, bill discounting, buyers credit and letters of credit, by 7.34% from ₹ 143.11 million in the nine months ended December 31, 2019 to ₹ 153.62 million in the nine months ended December 31, 2020.

Depreciation and Amortization Expense

Depreciation and amortisation expense increased by 8.08% from ₹ 2,035.31 million in the nine months ended December 31, 2019 to ₹ 2,199.70 million in the nine months ended December 31, 2020. This was primarily due to capitalization of fixed assets consequent to expansion of our installed capacities in the nine months ended December 31, 2020 and full nine-months deprecation on fixed assets for the capacities commissioned in the nine months ended December 31, 2019.

Other Expenses

Other expenses marginally increased by 0.85% from ₹ 6,282.79 million in the nine months ended December 31, 2019 to ₹ 6,336.32 million in the nine months ended December 31, 2020.

This increase was primarily due to an increase in (i) consumption of stores and spare parts by 8.64% from ₹ 2,340.39 million in the nine months ended December 31, 2019 to ₹ 2,542.70 million in the nine months ended December 31, 2020 due to an increase in our installed capacities and capacity utilization which resulted in an increase in sale of our products; (ii) rates and taxes by 21.97% from ₹ 550.44 million in the nine months ended December 31,2019 to ₹ 671.36 million in the nine months ended December 31, 2020; and (iii) labour charges by 6.68% from ₹ 487.48 million in the nine months ended December 31, 2019 to ₹ 520.06 million in the nine months ended December 31, 2020, corresponding to increased production during this period. This increase was offset by a decrease in (i) miscellaneous expenses by 15.81% from ₹ 260.04 million in the nine months ended December 31, 2019 to ₹ 301.14 million in the nine months ended December 31, 2020; and (ii) commission and brokerage from ₹ 138.31 million in the nine months ended December 31, 2019 to ₹ 66.47 million in the nine months ended December 31, 2020.

Profit/ (loss) before Tax

For the reasons discussed above, profit before tax was ₹ 5,061.10 million in the nine months ended December 31, 2020 compared to ₹ 2,215.64 million in the nine months ended December 31, 2019. The share in profit of associates and joint ventures was ₹ 5.34 million in the nine months ended December 31, 2019 and ₹ 1.51 million in the nine months ended December 31, 2020.

Tax Expense

Current tax

Current tax expenses increased from ₹ 466.75 million in the nine months ended December 31, 2019 to ₹ 917.43 million in the nine months ended December 31, 2020, primarily on account of increase in profit before tax.

Deferred tax

We recorded a deferred tax of ₹ (418.03) million in the nine months ended December 31, 2020 compared to a deferred tax of ₹ (849.38) million in the nine months ended December 31, 2019.

Profit/ (Loss) for the Period

For the various reasons discussed above, we recorded a profit for the period of ₹ 4,563.21 million in the nine months ended December 31, 2020 compared to ₹ 2,603.61 million in the nine months ended December 31, 2019.

Total Comprehensive Income for the Period

Total comprehensive income for the period was ₹ 4,602.10 million in the nine months ended December 31, 2020 compared to ₹ 2,613.97 million in the nine months ended December 31, 2019.

Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)

EBITDA was ₹ 7,173.17 million in the nine months ended December 31, 2020 compared to EBITDA of ₹ 4,481.20 million in the nine months ended December 31, 2019, while EBITDA margin (EBITDA as a percentage of our operating income) was 18.18% in the nine months ended December 31, 2020 compared to 13.61% in the nine months ended December 31, 2019.

FISCAL 2020 COMPARED TO FISCAL 2019

The following table sets forth certain information with respect to our results of operations on a consolidated basis for Fiscals 2018, 2019 and 2020:

Particulars	Fiscal 2018		Fiscal 2019		Fiscal 2020	
	(₹ million)	Percentage of total income	(₹ million)	Percentage of total income	(₹ million)	Percentage of total income
Income						

Particulars	Fiscal 2018		Fiscal 2019		Fiscal 2020	
	(₹ million)	Percentage of total income	(₹ million)	Percentage of total income	(₹ million)	Percentage of total income
Revenue from operations	38,425.66	98.01%	46,063.95	98.33%	43,628.86	99.26%
Other income	778.33	1.993%	781.65	1.67%	324.16	0.74%
Total Income	**39,203.99**	**100.00%**	**46,845.60**	**100.00%**	**43,953.02**	**100.00%**
Expenses						
Cost of materials consumed	22,967.91	58.59%	27,827.72	59.40%	27,182.24	61.84%
Purchases of Stock-in-Trade	1,282.82	3.27%	286.17	0.61%	632.51	1.44%
Excise duty	954.05	2.43%	-	-	-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(543.66)	(1.39)%	(251.20)	(0.54)%	(1034.89)	(2.35) %
Employee benefits expense	1,064.46	2.72%	1,450.25	3.10%	1,683.55	3.83%
Finance cost	488.58	1.25%	644.34	1.38%	858.84	1.95%
Depreciation and amortization expense	2,150.47	5.49%	1,945.76	4.15%	2,966.49	6.75%
Other expenses	5,689.96	14.51%	7,303.91	15.59%	8,709.89	19.82%
Total expenses	**34,054.59**	**86.87%**	**39,206.95**	**83.69%**	**40,998.63**	**93.28%**
Profit/(loss) before Share of Profit/(Loss) of associates and joint venture and tax	**5,149.40**	**13.13%**	**7,638.65**	**16.31%**	**2,954.39**	**6.72%**
Share in profits/(loss) from Associate and Joint Venture	24.46	0.06%	0.32	0.00%	0.24	0.00%
Profit/(Loss) before tax	**5,173.86**	**13.20%**	**7,638.97**	**16.31%**	**2,954.63**	**6.72%**
Tax expenses						
Current tax	1,395.08	3.56%	1,663.07	3.55%	574.48	1.31%
Deferred tax	(1,501.61)	(3.83)%	(391.93)	(0.84)%	(1,023.14)	(2.33)%
Profit/(loss) for the period	**5,280.39**	**13.47%**	**6,367.83**	**13.59%**	**3,403.29**	**7.74%**
Profit for the Year	**5,280.39**	**13.47%**	**6,367.83**	**13.59%**	**3,403.29**	**7.74%**
Profit/ Loss attributable to Non Controlling Interest	1,036.73	2.64%	326.56	0.70%	(0.12)	(0.00)%
Profit/ Loss attributable to owners of the parent	4,243.66	10.82%	6,041.25	12.90%	3,403.41	7.74%
Other comprehensive income						
(i) Items that will not be reclassified to profit or loss						
- Remeasurement of defined benefit plan	4.82	0.01%	1.62	0.00%	(6.48)	(0.01)%
- Gains and losses from investments in equity instruments designated at fair value through other	(78.48)	(0.20)%	62.75	0.13%	16.31	0.04
(ii) Income tax relating to items that will not be reclassified to profit or loss	12.06	0.03%	(14.61)	(0.03)%	(5.51)	(0.01)%
Other comprehensive income for the year (net of tax)	**(61.60)**	**(0.16)%**	**49.76**	**0.11%**	**4.32**	**0.01%**
Total comprehensive income for the Period	**5,218.79**	**13.31**	**6,417.59**	**13.70%**	**3,407.61**	**7.75%**

FISCAL 2020 COMPARED TO FISCAL 2019

Income

Total income decreased by 6.17% from ₹ 46,845.60 million in Fiscal 2019 to ₹ 43,953.02 million in Fiscal 2020 primarily due to the reasons discussed below.

Revenue from Operations

Revenues from operations decreased by 5.29% from ₹ 46,063.95 million in Fiscal 2019 to ₹ 43,628.86 million in Fiscal 2020, primarily due to the following reasons:

(i) Our revenue from sale of manufactured products decreased by 5.60% from ₹ 44,320.23 million in Fiscal 2019 to ₹ 41,838.80 million in Fiscal 2020. This was primarily due to (i) decrease in realization of average sales price per tonne of our manufactured products; and (ii) decrease in the capacity utilization of our manufacturing plants.

However, we continued with our certain expansion plans which resulted in an increase in our installed capacities. At our Sambalpur manufacturing plant, we installed (a) two iron pellet plants of 300,000 TPA and 600,000 TPA, sponge iron plant of 165,000 TPA, TMT plant of 60,000 TPA, wire rod plant of 200,000 TPA and a captive power plant of 33 MW in Fiscal 2020; and (b) a billet plant of 63,360 TPA in Fiscal 2019. While, at our Jamuria manufacturing plant, we installed (a) an iron pellet plant of 600,000 TPA, a sponge iron plant of 99,000 TPA, a billet plant of 168,960 TPA, a TMT plant of 106,992 TPA, a wire rod plant of 200,000 TPA and a captive power plant of 30 MW in Fiscal 2020; and (b) a ferro alloy plant of 14,000 TPA in Fiscal 2019. The full year effect of the expansions in Fiscal 2019 were realized only in Fiscal 2020, since these were commissioned during Fiscal 2019.

The following is a product wise break up of our revenue from sale of manufactured products:

(a) Our revenue from sale of iron pellets increased by 20.97% from ₹ 4,937.66 million in Fiscal 2019 to ₹ 5,973.09 million in Fiscal 2020 primarily due to an increase in our installed iron pellet capacity from 900,000 TPA, as of March 31, 2019 to 1,800,000 TPA as of March 31, 2020. Our revenue from sale of iron pellets also increased consequent to an increase in the average sales price per tonne of iron pellets.
(b) Our revenue from sale of sponge iron decreased by 29.74% from ₹ 12,132.55 million in Fiscal 2019 to ₹ 8,523.86 million in Fiscal 2020 primarily due to a decrease in the average sales price per tonne of sponge iron and sales volume on account of transferring sponge iron to manufacture billet for captive consumption.
(c) Our revenue from sale of billets decreased by 8.63% from ₹ 11,187.09 million in Fiscal 2019 to ₹ 10,221.71 million in Fiscal 2020 due to decrease in the average sales price per tonne of billets and sales volume by transferring billet to manufacture long steel product for captive consumption on account of the increase in the product (primarily comprising TMT, angle, wire rod, angle, channel and beam) capacity.
(d) Our revenue from sale of product (primarily comprising TMT, angle, wire rod, angle, channel and beam) increased by 27.15% from ₹ 7,545.85 million in Fiscal 2019 to ₹ 9,594.47 million in Fiscal 2020 due to increase in installed product (primarily comprising TMT, angle, wire rod, angle, channel and beam) capacity. However, there was a decrease in the average sales price per tonne of product (primarily comprising TMT, angle, wire rod, angle, channel and beam).
(e) Our revenue from sale of ferro alloy products decreased by 11.64% from ₹ 8,517.08 million in Fiscal 2019 to ₹ 7,525.66 million in Fiscal 2020 primarily due to decrease in the average sales price per tonne of ferro alloys.

(ii) Our revenue from sale of services decreased by 21.43% from ₹ 1,308.16 million in Fiscal 2019 and ₹ 1,027.82 million in Fiscal 2020 on account of reduction in conversion process and alternative utilization of capacity.

(iii) Our revenue from sale of traded goods was ₹ 608.11 million in Fiscal 2020 compared to ₹ 263.20 million in Fiscal 2019.

(iv) Our revenue from sale of power was ₹ 43.76 million in Fiscal 2020 compared to ₹ 41.85 million in Fiscal 2019.

(v) Our revenue from sale of by product was ₹ 110.20 million in Fiscal 2020 compared to ₹ 130.25 million in Fiscal 2019.

Other Income

Other income decreased by 58.53% from ₹ 781.65 million in Fiscal 2019 to ₹ 324.16 million in Fiscal 2020. This decrease was primarily due to a decrease in (i) dividend received from ₹ 205.58 million in Fiscal 2019 to ₹ 6.63 million in Fiscal 2020; (ii) export incentive received from ₹ 294.16 million in Fiscal 2019 to ₹ 134.60 million in Fiscal 2020; and (iii) interest on financial assets carried at amortised cost deposits, loans, bond and others from ₹ 123.33 million in Fiscal 2019 to ₹ 60.01 million in Fiscal 2020.

Expenses

Our total expenses increased by 4.57% from ₹ 39,206.95 million in Fiscal 2019 to ₹ 40,998.63 million in Fiscal 2020, primarily due to the reasons discussed below.

Cost of Materials Consumed

Cost of materials consumed decreased by 2.32% from ₹ 27,827.72 million in Fiscal 2019 to ₹ 27,182.24 million in Fiscal 2020. This decrease was due to the decrease in the purchase quantity of raw materials, such as, iron ore fines, coal, manganese ore, chrome ore, pig iron and coke, which was in line with the decrease in average purchase price per tonne for such raw materials. However, the cost of materials consumed as a percentage of sales of manufactured products increased from 62.79% in Fiscal 2019 to 64.97% in Fiscal 2020.

Purchase of Stock-in-Trade

Purchase of stock-in-trade significantly increased from ₹ 286.17 million in Fiscal 2019 to ₹ 632.51 million in Fiscal 2020 primarily due to an increase in the value and volume of products traded by us.

Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

Change in inventories of finished goods, stock in trade and work-in-progress amounted to ₹ (1,034.89) million in Fiscal 2020 in comparison to ₹ (251.20) million in Fiscal 2019. This was primarily due to an increase in closing stock of finished goods and was in line with our increased production consequent to increase in our installed capacities.

Employee Benefit Expenses

Employee benefit expenses increased by 16.09% from ₹ 1,450.25 million in Fiscal 2019 to ₹ 1,683.55 million in Fiscal 2020. This increase was primarily due to an increase in salaries and wages by 15.79% from ₹ 1,345.85 million in Fiscal 2019 to ₹ 1,558.42 million in Fiscal 2020 primarily on account of increase in the number of employees consequent to expansion of our installed capacities and revision in wages.

Finance Costs

Finance costs increased by 33.29% from ₹ 644.34 million in Fiscal 2019 to ₹ 858.84 million in Fiscal 2020 primarily due to an increase in (i) interest expense on borrowings by 29.42% from ₹ 470.55 million in Fiscal 2019 to ₹ 608.97 million in Fiscal 2020 consequent to increase in our total borrowings from ₹ 7,221.14 million as of March 31, 2019 to ₹ 13,304.78 million as of March 31, 2020; (ii) increase in the exchange difference to the extent considered as an adjustment to the borrowing cost from ₹ 9.34 million in Fiscal 2019 to ₹ 34.21 million in Fiscal 2020; and (iii) increase in other borrowing costs, comprising of bank charges on bank guarantees, bill discounting, buyers credit and letters of credit, by 31.14% from ₹ 164.45 million in Fiscal 2019 to ₹ 215.66 million in Fiscal 2020.

Depreciation and Amortization Expense

Depreciation and amortisation expense increased by 52.46% from ₹ 1,945.76 million in Fiscal 2019 to ₹ 2,966.49 million in Fiscal 2020. This was primarily due to capitalization of fixed assets consequent to expansion of our installed capacities in Fiscal 2020 and full year deprecation on fixed assets for the capacities commissioned in Fiscal 2019.

Other Expenses

Other expenses increased by 19.25% from ₹ 7,303.91 million in Fiscal 2019 to ₹ 8,709.89 million in Fiscal 2020. This increase was primarily due to an increase in (i) consumption of stores and spare parts by 5.68% from ₹ 2,707.11 million in Fiscal 2019 to ₹ 2,860.83 million in Fiscal 2020 on account of increase in our installed capacities and capacity utilization which resulted in an increase in sale of our products; (ii) repairs on machinery by 29.27% from ₹ 124.43 million in Fiscal 2019 to ₹ 160.85 million in Fiscal 2020 due to increase in repair of our machines commissioned in the previous periods; (iii) power, fuel and electricity by 67.83% from ₹ 1,472.54 million in Fiscal 2019 to ₹ 2,471.35 million in Fiscal 2020 due to an increase in our installed capacities; (iv) rent and hire charges by 25.65% from ₹ 266.20 million in Fiscal 2019 to ₹ 334.47 million in Fiscal 2020 for raw materials and by-products handling consequent to increased installed capacity; (v) rates and taxes by 14.80% from ₹ 678.16 million in Fiscal 2019 to ₹ 778.56 million in Fiscal 2020; (vi) labour charges by 22.38% from ₹ 574.39 million in Fiscal 2019 to ₹ 702.95 million in Fiscal 2020, corresponding to increased production during this period; (vii) corporate social responsibility by 76.49% from charges from ₹ 37.77 million in Fiscal 2019 to ₹ 66.66 million in Fiscal 2020; and (viii) miscellaneous expenses by 41.89% from ₹ 280.48 million in Fiscal 2019 to ₹ 397.98 million in Fiscal 2020 due to increase of expansion of capacities.

Profit/ (loss) before Tax

For the reasons discussed above, profit before tax was ₹ 2,954.63 million in Fiscal 2020 compared to ₹ 7,638.97 million in Fiscal 2019. The share in profit of associates and joint ventures was ₹ 0.32 million in Fiscal 2019 and ₹ 0.24 million in Fiscal 2020.

Tax Expense

Current tax

Current tax expenses significantly decreased from ₹ 1,663.07 million in Fiscal 2019 to ₹ 574.48 million in Fiscal 2020, primarily on account of decrease in profit before tax.

Deferred tax

We recorded a deferred tax of ₹ (1,023.14) million in Fiscal 2020 compared to a deferred tax of ₹ (391.93) million in Fiscal 2019.

Profit/ (Loss) for the Period

For the various reasons discussed above, we recorded a profit for the period of ₹ 3,403.29 million in Fiscal 2020 compared to ₹ 6,367.83 million in Fiscal 2019.

Total Comprehensive Income for the Year

Restated total comprehensive income for the year was ₹ 3,407.61 million in Fiscal 2020 compared to ₹ 6,417.59 million in Fiscal 2019.

Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)

EBITDA was ₹ 6,340.53 million in Fiscal 2020 compared to EBITDA of ₹ 9,567.79 million in Fiscal 2019, while EBITDA margin (EBITDA as a percentage of our operating income) was 14.49 % in Fiscal 2020 compared to 20.64% in Fiscal 2019.

FISCAL 2019 COMPARED TO FISCAL 2018

Income

Total income increased by 19.49% from ₹ 39,203.99 million in Fiscal 2018 to ₹ 46845.60 million in Fiscal 2019 primarily due to the reasons discussed below.

Revenue from Operations

Revenues from operations increased by 19.88% from ₹ 38,425.66 million in Fiscal 2018 to ₹ 46,063.95 million in Fiscal 2019, primarily due to the following reasons:

(i) Our revenue from sale of manufactured products increased by 23.28% from ₹ 35,951.14 million in Fiscal 2018 to ₹ 44,320.23 million in Fiscal 2019. This was primarily due to (i) an increase in our installed capacities and capacity utilization; (ii) increase in demand for our products; and (iii) an increase in the average sales price per tonne.

We had undertaken certain expansion plans which resulted in an increase in our installed capacities. In Fiscal 2019, we commissioned a (i) 63,360 TPA billet plant at our Sambalpur manufacturing plant; and (b) 14,000 TPA ferro alloy plant at our Jamuria manufacturing plant. Further, the full year effect of the 165,000 TPA sponge iron plant at our Sambalpur manufacturing plant was realized only in Fiscal 2019, since this sponge iron plant was commissioned during Fiscal 2018.

The following is a product wise break up of our revenue from sale of manufactured products:

(a) Our revenue from sale of iron pellets increased by 49.37% from ₹ 3,305.74 million in Fiscal 2018 to ₹ 4,937.66 million in Fiscal 2019 primarily due to an increase of our capacity utilization and increase in the realization of average sales price per tonne of iron pellets.
(b) Our revenue from sale of sponge iron increased by 33.12% from ₹ 9,113.94 million in Fiscal 2018 to ₹ 12,132.55 million in Fiscal 2019 primarily on account of increase in capacity utilization of sponge iron capacity, and increase in the realization of average sales per tonne of sponge iron.
(c) Our revenue from sale of billets increased by 62.73% from ₹ 6,874.48 million in Fiscal 2018 to ₹ 11,187.09 million in Fiscal 2019 due to increase in our installed billets capacity and capacity utilization, and increase in the realization of average sales per tonne of billets.
(d) Our revenue from sale of product (primarily comprising TMT, angle, wire rod, angle, channel and beam) increased by 36.68% from ₹ 5,520.73 million in Fiscal 2018 to ₹ 7,545.85 million in Fiscal 2019 due to an increase in the capacity utilization, and increase of realization of average sales per tonne of product (primarily comprising TMT, angle, wire rod, angle, channel and beam).
(e) Our revenue from sale of ferro alloy products decreased by 23.52% from ₹ 11,136.25 million in Fiscal 2018 to ₹ 8,517.08 million in Fiscal 2019 primarily due to decrease in the realization of average sales price per tonne of ferro alloy. However, the installed capacity and capacity utilisation for ferro alloy products increased during this period.

(ii) Our revenue from sale of services increased by 32.81% from ₹ 984.95 million in Fiscal 2018 to ₹ 1,308.16 million in Fiscal 2019. This increase was primarily due to an increase in the conversion process for a specific contract for an Indian steel conglomerate.

(iii) Our revenue from sale of traded goods was ₹ 263.20 million in Fiscal 2019 compared to ₹ 1,380.30 million in Fiscal 2018.

(iv) Our revenue from sale of power was ₹ 41.85 million in Fiscal 2019 compared to ₹ 37.92 million in Fiscal 2018.

(v) Our revenue from sale of by product was ₹ 130.25 million in Fiscal 2019 compared to ₹ 71.21 million in Fiscal 2018.

Other Income

Other income increased by 0.43% from ₹ 778.33 million in Fiscal 2018 to ₹ 781.65 million in Fiscal 2019, primarily on account of increase in interest income and other non-operating income. This increase was primarily due to (i) a significant increase in dividend received from ₹ 24.60 million in Fiscal 2018 to ₹ 205.58 million in Fiscal 2019; and (ii) increase in export incentives received by 35.66% from ₹ 216.84 million in Fiscal 2018 to ₹ 294.16 million in Fiscal 2019.

Expenses

Our total expenses increased by 15.13% from ₹ 34,054.59 million in Fiscal 2018 to ₹ 39,206.95 million in Fiscal 2019 primarily due to the reasons discussed below.

Cost of Materials Consumed

Cost of materials consumed increased by 21.16% from ₹ 22,967.91 million in Fiscal 2018 to ₹ 27,827.72 million in Fiscal 2019. The increase was due to an increase in purchase of raw materials, such as, iron ore fines, coal, manganese ore, chrome ore, pig iron and coke which was in line with our increased production during this period along with an increase in the average purchase price per tonne for manganese ore and chrome ore. However, the cost of materials consumed as a percentage of sales of manufactured products (net of excise duty) decreased from 63.89% in Fiscal 2018 to 62.79% in Fiscal 2019.

Purchase of Stock-in-Trade

Purchase of stock-in-trade significantly decreased from ₹ 1,282.82 million in Fiscal 2018 to ₹ 286.17 million in Fiscal 2020, primarily due to an increase in the value and volume of products traded by us.

Excise duty

The excise duty paid in Fiscal 2018 amounted to ₹ 954.05 million in Fiscal 2018 for three months, *i.e.* up to July 2017. Subsequent to July 2017, GST was introduced and it replaced excise duty.

Changes in inventories of finished goods, work-in-progress and stock-in-trade

Change in inventories of finished goods, stock in trade and work-in-progress amounted to ₹ (251.20) million in the Fiscal 2019 in comparison to ₹ (543.66) million in Fiscal 2018. This was primarily due to decrease in closing stock of finished goods, consignment stock and in line with the increase in our installed capacities and sales during this period.

Employee Benefit Expenses

Employee benefit expenses increased by 36.24% from ₹ 1,064.46 million in Fiscal 2018 to ₹ 1,450.25 million in Fiscal 2019. This increase was primarily due to an increase in salaries and wages by 37.94% from ₹ 975.66 million in Fiscal 2018 to ₹ 1,345.85 million in Fiscal 2019 primarily on account of increase in the number of employees consequent to expansion of our installed capacities and revision in wages.

Finance Costs

Finance costs increased by 31.88% from ₹ 488.58 million in Fiscal 2018 to ₹ 644.34 million in Fiscal 2019 primarily due to an increase in (i) interest expense on borrowings by 21.93% from ₹ 385.90 million in Fiscal 2018 to ₹ 470.55 million in Fiscal 2019 consequent to increase in our total borrowings from ₹ 5,641.03 million as of March 31, 2018 to ₹ 7,221.14 million as of March 31, 2019; and (ii) increase in other borrowing costs, comprising of bank charges on bank guarantees, bill discounting, buyers credit and letters of credit, by 70.53% from ₹ 96.43 million in Fiscal 2018 to ₹ 164.45 million in Fiscal 2019.

Depreciation and Amortization Expense

Depreciation and amortisation expense decreased by 9.52% from ₹ 2,150.47 million in Fiscal 2018 to ₹ 1,945.76 million in Fiscal 2019. The reduction in depreciation is on account of restriction on the application of the written down value method.

Other Expenses

Other expenses increased by 28.36% from ₹ 5,689.96 million in Fiscal 2018 to ₹ 7,303.91 million in Fiscal 2019. This increase was primarily due to an increase in (i) consumption of stores and spare parts by 38.27% from ₹ 1,957.84 million in Fiscal 2018 to ₹ 2,707.11

million in Fiscal 2019 due to an increase in our installed capacities, capacity utilization and an increase in sale of our products; (ii) rent and hire by 91.47% from ₹ 139.03 million in Fiscal 2018 to ₹ 266.20 million in Fiscal 2019 primarily due to operational of new machines; (iii) labour charges by 10.37% from ₹ 520.41 million in Fiscal 2018 to ₹ 574.39 million in Fiscal 2019, corresponding to an increase in production during this period; (iv) power, fuel and electricity by 52.21% from ₹ 967.42 million in Fiscal 2018 to ₹ 1,472.54 million in Fiscal 2019 due to commissioning of new billet and ferro plant, which are power intensive; (v) loss on sale of investment measured at fair value ₹ 211.67 million in Fiscal 2019; and (vi) exchange fluctuation loss ₹ 158.07 million in 2019 due to reinstatement of foreign currency loan and actual loss realised during repayment of foreign currency loan. The increase in other expenses was partially offset by a decrease in expenses on (i) miscellaneous expenses from ₹ 453.01 million in Fiscal 2018 to ₹ 280.48 million in Fiscal 2019; (ii) rates and taxes from ₹ 835.18 million from Fiscal 2018 to ₹ 678.16 million in Fiscal 2019.

Profit/ (loss) before Tax

For the reasons discussed above, profit before tax was ₹ 7,638.97 million in Fiscal 2019 compared to ₹ 5,173.86 million in Fiscal 2018. The share in profit of associates and joint ventures was ₹ 24.46 million in Fiscal 2018 and ₹ 0.32 million in Fiscal 2019.

Tax Expense

Current tax

Current tax expenses increased from ₹ 1,395.08 million in Fiscal 2018 to ₹ 1,663.07 million in Fiscal 2019, primarily on account of increase in profit before tax.

Deferred tax

We recorded a deferred tax of ₹ (391.93) million in Fiscal 2019 in comparison to a deferred tax of ₹ (1,501.61) million in Fiscal 2018.

Profit after Tax

For the various reasons discussed above, we recorded a profit after tax of ₹ 6,367.83 million in Fiscal 2019 compared to ₹ 5,280.39 million in Fiscal 2018.

Total Comprehensive Income for the Year

Restated total comprehensive income for the year was ₹ 6,417.59 million in Fiscal 2019 compared to ₹ 5,218.79 million in Fiscal 2018.

Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)

EBITDA was ₹ 9,567.79 million in Fiscal 2019 compared to EBITDA of ₹ 7,148.74 million in Fiscal 2018, while EBITDA margin (EBITDA as a percentage of our revenue from operations) was 20.64% in Fiscal 2019 compared to 18.97% in Fiscal 2018.

Liquidity and Capital Resources

Our principal source of funding has been, and is expected to continue to be, cash generated from our operations, supplemented by funding from bank borrowings and optimization of operating working capital. We have historically met our funding requirements, including capital expenditure, satisfaction of debt obligations, investments, taxes, working capital requirements and other cash outlays, primarily with funds generated from operations and optimization of operating working capital as well as external borrowings. In addition to the funds to be raised from this Offer, we are considering other financing and refinancing transactions intended to diversify/ reduce our debt obligations and reduce interest cost. In order to implement this strategy, we or our Subsidiaries may enter into new credit facilities or issue equity or debt instruments, on terms which are customary for such arrangements.

The following table sets forth certain information concerning our cash flows for the periods indicated:

Particulars	Fiscal			Nine months ended December 31,	
	2018	2019	2020	2019	2020
	(₹ million)				
Net cash flow from/ (used in) from operating activities	2,469.49	4,565.56	851.55	(1,047.37)	6,568.08
Net cash flow from/ (used in) investing activities	(1,420.53)	(5,669.62)	(2,773.99)	(1,427.56)	(2,311.12)
Net cash flow from/ (used in) financing activities	(1,621.69)	1,121.76	2,120.45	2,565.31	(4,558.73)

Particulars	Fiscal			Nine months ended December 31,	
	2018	2019	2020	2019	2020
	(₹ million)				
Effect of foreign exchange fluctuation	244.72	-	-	29.27	158.39
Net changes in cash and cash equivalents	(328.01)	17.70	198.01	119.65	(143.38)

Operating Activities

Nine Months Ended December 31, 2020

In the nine months ended December 31, 2020, net cash flow from operating activities was ₹ 6,568.08 million. Net profit before tax was ₹ 5,062.61 million in the nine months ended December 31, 2020 and non-cash adjustments for non-cash non-operating items consisted of depreciation of ₹ 2,199.70 million, interest and finance charges of ₹ 558.44 million, unrealised foreign exchange fluctuations of ₹ (158.39) million and unspent liabilities written back and unclaimed balances adjusted of ₹ (111.29) million. Operating profit before working capital changes was ₹ 7,423.33 million in the nine months ended December 31, 2020. The main working capital adjustments in the nine months ended December 31, 2020 included a decrease in inventories of ₹ 3,367.33 million. This was significantly offset by an increase in other assets of ₹ 2,401.45 million and decrease in trade and other payables of ₹ 1,374.45 million in the nine months ended December 31, 2020. Cash flow from operating activities before taxes in the nine months ended December 31, 2020 amounted to ₹ 7,168.08 million. Direct taxes paid (net) amounted to ₹ 600.00 million.

Nine Months Ended December 31, 2019

In the nine months ended December 31, 2019, net cash used in operating activities was ₹ 1,047.37 million. Net profit before tax was ₹ 2,220.98 million in the nine months ended December 31, 2019 and non-cash adjustments for non-cash non-operating items consisted of depreciation of ₹ 2,035.31 million and interest and finance charges of ₹ 608.66 million. Operating profit before working capital changes was ₹ 4,747.65 million in the nine months ended December 31, 2019. The main working capital adjustments in the nine months ended December 31, 2019 included an increase in inventories of ₹ 3,991.66 million, increase in other assets of ₹ 2,767.40 million and increase in trade receivable of ₹ 852.11 million. This was offset by an increase in trade and other payables of ₹ 2,246.15 million in the nine months ended December 31, 2019. Cash used in operating activities before taxes in the nine months ended December 31, 2019 amounted to ₹ 617.37 million. Direct taxes paid (net) amounted to ₹ 430.00 million.

Fiscal 2020

In Fiscal 2020, net cash flow from operating activities was ₹ 851.55 million. Net profit before tax was ₹ 2,954.63 million in Fiscal 2020 and non-cash adjustments for non-cash non-operating items consisted of depreciation of ₹ 2,966.49 million and interest and finance charges of ₹ 858.84 million. Operating profit before working capital changes was ₹ 6,744.97 million in Fiscal 2020. The main working capital adjustments in Fiscal 2020 included an increase in trade receivable of ₹ 354.03 million. This was significantly offset by an increase in inventories of ₹ 3,554.12 million and increase in other assets of ₹ 1912.11 million in Fiscal 2020. Cash flow from operating activities before taxes in Fiscal 2020 amounted to ₹ 1396.55 million. Direct taxes paid (net) amounted to ₹ 545.00 million.

Fiscal 2019

In Fiscal 2019, net cash flow from operating activities was ₹ 4,565.56 million. Net profit before tax was ₹ 7,638.97 million in Fiscal 2019 and non-cash adjustments for non-cash non-operating items consisted of depreciation of ₹ 1,945.76 million and interest and finance charges of ₹ 644.34 million. Operating profit before working capital changes was ₹ 9,883.85 million in Fiscal 2019. The main working capital adjustments in Fiscal 2019 included a decrease in trade receivable of ₹ 1,526.83 million. This was significantly offset by an increase in other assets of ₹ 2,063.62 million, increase in inventories of ₹ 1,736.40 million and decrease in trade and other payables of ₹ 1,365.10 million in Fiscal 2019. Cash flow from operating activities before taxes in Fiscal 2019 amounted to ₹ 6,245.56 million. Direct taxes paid (net) amounted to ₹ 1,680.00 million.

Fiscal 2018

In Fiscal 2018, net cash flow from operating activities was ₹ 2,469.49 million. Net profit before tax was ₹ 5,173.86 million in Fiscal 2018 and non-cash adjustments for non-cash non-operating items consisted of depreciation of ₹ 2,150.47 million and interest and finance charges of ₹ 488.58 million, and was offset by unrealised foreign exchange fluctuations of ₹ 244.72 million. Operating profit before working capital changes was ₹ 7,622.63 million in Fiscal 2018. The main working capital adjustments in Fiscal 2018 included an increase in trade and other payables of ₹ 2,232.97 million. This was significantly offset by an increase in other assets of ₹ 3,582.80 million and increase in inventories of ₹ 1,665.05 million in Fiscal 2018. Cash flow from operating activities before taxes in Fiscal 2018 amounted to ₹ 3,610.83 million. Direct taxes paid (net) amounted to ₹ 1,141.34 million.

Investing Activities

Nine Months Ended December 31, 2020

Net cash used in investing activities was ₹ 2,311.12 million in the nine months ended December 31, 2020, primarily on account of purchase of property, plant and equipment (net) of ₹ 2,038.97 million, increase in investment (net) of ₹ 172.76 million and loans given of ₹ 116.04 million.

Nine Months Ended December 31, 2019

Net cash used in investing activities was ₹ 1,427.56 million in the nine months ended December 31, 2019, primarily on account of purchase of property, plant and equipment (net) of ₹ 3,075.36 million. This was offset by a decrease in investment (net) of ₹ 1,351.39 million.

Fiscal 2020

Net cash used in investing activities was ₹ 2,773.99 million in Fiscal 2020, primarily on account of purchase of property, plant and equipment (net) of ₹ 3,081.64 million. This was marginally offset by loans refunded of ₹ 179.88 million.

Fiscal 2019

Net cash used in investing activities was ₹ 5,669.62 million in Fiscal 2019, primarily on account of purchase of property, plant and equipment (net) of ₹ 4,880.91 million, increase in investment (net) of ₹ 688.06 million and loans given of ₹ 413.82 million. This was marginally offset by dividend received of ₹ 205.58 million and interest received of ₹ 107.59 million.

Fiscal 2018

Net cash used in investing activities was ₹ 1,420.53 million in Fiscal 2018, primarily on account of purchase of property, plant and equipment (net) of ₹ 1,027.58 million and increase in investment (net) of ₹ 743.63 million. This was marginally offset by loans refunded of ₹ 272.63 million.

Financing Activities

Nine Months Ended December 31, 2020

Net cash used in financing activities was ₹ 4,558.73 million in the nine months ended December 31, 2020, primarily on account of repayment of borrowing (net) and current maturities of ₹ 4,019.77 million and interest paid of ₹ 538.96 million. The effect of foreign exchange amounted to ₹ 158.39 million in the nine months ended December 31, 2020.

Nine Months Ended December 31, 2019

Net cash used in financing activities was ₹ 2,565.31 million in the nine months ended December 31, 2019, primarily on account of proceeds from borrowing (net) and current maturities of ₹ 3,165.16 million. This was offset by an interest paid of ₹ 599.85 million. The effect of foreign exchange amounted to ₹ 29.27 million in the nine months ended December 31, 2019.

Fiscal 2020

Net cash flow from financing activities was ₹ 2,120.45 million in Fiscal 2020, primarily on account of proceeds from borrowing (net) and current maturities of ₹ 2,998.78 million. This was marginally offset by an interest paid of ₹ 878.33 million.

Fiscal 2019

Net cash flow from financing activities was ₹ 1,121.76 million in Fiscal 2019, primarily on account of proceeds from borrowing (net) and current maturities of ₹ 1,756.67 million. This was marginally offset by an interest paid of ₹ 634.91 million.

Fiscal 2018

Net cash used in financing activities was ₹ 1,621.69 million in Fiscal 2018, primarily on account of repayment of borrowing (net) and current maturities of ₹ 1,129.16 million and interest paid of ₹ 492.53 million. The effect of foreign exchange amounted to ₹ 244.72 million in Fiscal 2018.

INDEBTEDNESS

As of December 31, 2020, we had total borrowings (consisting of long term and short term borrowings) of ₹ 8,862.92 million. Our debt to equity ratio was 0.27 as of December 31, 2020. For further information on our indebtedness, see "*Financial Indebtedness*" on page 318.

The following table sets forth certain information relating to our outstanding indebtedness as of December 31, 2020, and our repayment obligations in the periods indicated:

Particulars	**As of December 31, 2020 Payment due by period (₹ million)**				
	Total	**Not later than 1 year**	**1-2 years**	**2 -5 years**	**More than 5 years**
Long Term Borrowings					
Term loans (secured)	2,033.44	207.20	352.10	775.60	698.54
Term loans (unsecured)	6.44	6.44	-	-	-
Total long term borrowings	**2,039.88**	**213.64**	**352.10**	**775.60**	**698.54**
Short Term Borrowings					
Secured	6701.64	6701.64	-	-	-
Unsecured	121.40	121.40	-	-	-
Total Short Term Borrowings	**6,823.04**	**6,823.04**	**-**	**-**	**-**
Total Borrowings	**8,862.92**	**7,036.68**	**352.10**	**775.60**	**682.11**

CONTINGENT LIABILITIES AND OFF-BALANCE SHEET ARRANGEMENTS

As of December 31, 2020, our contingent liabilities that have not been accounted for in our financial statements, were as follows:

Particulars	**As of December 31, 2020 (₹ million)**
Unredeemed bank guarantees on behalf of the joint venture company	20.02
Other unredeemed bank guarantees	1,263.08
Bills discounted with banks	367.18
Demands/Claims by various Government authorities and others not acknowledged as debts:	
(i) Excise duty	1,096.74
(ii) Service tax	3.88
(iii) Custom duty	46.93
(iv) Sales tax	243.36
(v) Odisha entry tax	-
(vi) ESI	1.39
(vii) WBSEB	-
Total	**3,042.58**

For further information on our contingent liabilities, see "*Financial Information – Note 42: Commitments and Contingent Liabilities*" on page 261.

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 TRANSACTIONS

We have entered into various instruments and contracts such as derivative instruments, interest rate swap contracts, foreign currency forward contracts, letters of credit in relation to the export of our products and import of raw materials and capital goods. Any fluctuations in the exchange rates may have a significant effect on our business, results of operations and financial condition.

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.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

Contractual Obligations

The following table sets forth certain information relating to the contractual obligations with definitive payment terms, as of December 31, 2020.

Particulars	As of December 31, 2020				
	Payment due by period				
	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
	(₹ million)				
Contractual maturities of borrowings	8,856.48	7,036.68	352.10	775.60	692.10
Contractual maturities of trade payables	3,538.10	3,538.10	-	-	-
Total	**12,394.58**	**10,574.78**	**352.10**	**775.60**	**692.10**

Capital Commitments

The following table sets forth certain information relating to estimated amount of contracts remaining to be executed and not provided for, as of December 31, 2020:

Particulars	As of December 31, 2020				
	Payment due by period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
	(₹ million)				
Estimated amount of contracts remaining to be executed and not provided for (Net of Advances)	1,420.02	1,420.02	-	-	-

For further information, see "*Financial Information – Note 42: Commitments and Contingent Liabilities*" on page 261.

CAPITAL EXPENDITURES

Our capital expenditures are primarily related to our capacity expansions at our manufacturing plants. The following table below sets forth certain information relating details of our gross capital expenditures for the periods stated.

Particulars	Fiscal 2018	Fiscal 2019	Fiscal 2020	Nine months ended December 31, 2019	Nine months ended December 31, 2020
		(₹ million)			
Gross capital expenditure incurred	1,633.39	5,498.49	5,556.01	5,640.46	3,773.49

In Fiscal 2018, Fiscal 2019, Fiscal 2020 and in the nine months ended December 31, 2019 and 2020, our capital expenditure towards additions to fixed assets (purchase of property, plant and equipment's, intangible assets and capital work-in-progress) were ₹ 1,633.39 million, ₹ 5,498.49 million, ₹ 5,556.01 million, ₹ 5,910.46 million and ₹ 3,773.49 million, respectively. The following table sets forth our fixed assets for the periods indicated:

Particulars	Fiscal 2018	Fiscal 2019	Fiscal 2020	Nine months ended December 31, 2019	Nine months ended December 31, 2020
		(₹ million)			
Property, plant and equipment	2,092.71	2,098.31	5,361.21	6,007.34	883.60
Right of use of Assets	34.29	209.60	2.95	2.95	0.33
Intangible Assets	0.56	7.48	3.37	1.71	0.01
Capital Work in Progress	(1,212.24)	2,670.72	(1,222.50)	(1,512.02)	1,155.05
Intangible Assets under development	4.99	-	-	-	-
Capital Advance (Long Term)	713.08	512.38	1,410.98	1,410.48	1,734.50
Total	**1,633.39**	**5,498.49**	**5,556.01**	**5,910.46**	**3,773.49**

For further information, see "*Financial Information*" on page 210.

RELATED PARTY TRANSACTIONS

We have entered into transactions with several related parties, including our Promoter Group, Directors and Key Managerial Personnel, which were carried out in compliance with applicable laws. In particular, we have entered into various transactions with such parties in relation to, amongst others, remuneration, professional fees, rent expense, reimbursement of expenses and interest on unsecured loan. For further information relating to our related party transactions, see "*Financial Information*" on page 210.

AUDITOR'S OBSERVATIONS

Our Statutory Auditors have in their reports to the audited financial statements for nine months period ended December 31, 2020 and for the year ended March 31, 2020 included an emphasis of matter on impact of COVID-19 on our operations.

Except as disclosed above and elsewhere in this Draft Red Herring Prospectus, there have been no reservations/ qualifications/ adverse remarks/ matters of emphasis highlighted by our statutory auditors in their examination report to the Restated Financial Information and auditor's reports to the audited financial statements as of and for the years ended March 31, 2018, 2019 and 2020, and as of and for the nine months ended December 31, 2019 and December 31, 2020.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance our Company's operations and to support its operations. Our Company's financial assets include investments, loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

Our Company is exposed to market risk, credit risk and liquidity risk. Our Company's senior management oversees the management of these risks. Our Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for our Company. Our Board of Directors reviews and agrees policies for managing each risk, which are as below:

Market Risks

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings in foreign currencies.

Commodity Price Risk

We are exposed to fluctuations in the price of raw materials, intermediate and final products. The market price of these commodities fluctuate due to certain factors, such as government policy, level of demand and supply in the market and the global economic environment. Therefore, fluctuations in the prices of raw materials and our intermediate and final products have a significant effect on our business, results of operations and financial condition.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate on account of changes in market interest rates. Our Company's exposure to the risk of changes in market interest rates relates primarily to our Company's long-term debt obligations with floating interest rates. Our Company is carrying its borrowings primarily at variable rate. Our Company expects the variable rate to decline, and accordingly our Company is currently carrying its loans at variable interest rates.

Exchange Rate Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Our Company's functional currency is Indian Rupees (₹). Our Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects our Company's revenue from export markets and the costs of imports, primarily in relation to raw materials. Our Company is exposed to exchange rate risk under its trade and debt portfolio. Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Company's overall debt position in Rupee terms without our Company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in our Company's receivables in foreign currency.

Liquidity risk

Liquidity risk is the risk that we will encounter difficulties in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our Company monitors its risk of a shortage of funds by estimating the future cash flows. Our Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. We manage liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Credit risk

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. Our Company has a policy of dealing only with credit worthy counter parties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments, cash and cash equivalents, derivatives and financial guarantees provided by our Company.

We are exposed to credit risk from our operating activities, primarily from trade receivables. We typically extend credit terms of up to 30 days to our customers, generally dealers and our institutional clients. If the counterparties do not pay promptly, or at all, we may have to make provisions for or write-off such amounts. As of March 31, 2018, 2019 and 2020, and as of December 31, 2020, our trade receivables were ₹ 3,687.15 million, ₹ 2,129.06 million, ₹ 2,590.18 million and ₹ 2,436.86 million, respectively, and our allowances for credit losses were ₹ 56.64 million, ₹ 20.09 million, ₹ 45.31 million and ₹ 42.31 million, respectively.

Inflation

In recent years, India has experienced relatively high rates of inflation. Inflation generally impacts the overall economy and business environment and hence could affect us.

For further information, see "*Financial Statements – Note 45: Financial Risk Management Objectives and Policies*" on page 267.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECT OR ARE LIKELY TO AFFECT INCOME FROM CONTINUING OPERATIONS

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations*" and the uncertainties described in "*Risk Factors*" on pages 287 and 21, respectively.

KNOWN TRENDS OR UNCERTAINTIES THAT HAVE HAD OR ARE EXPECTED TO HAVE A MATERIAL ADVERSE IMPACT ON SALES, REVENUE OR INCOME FROM CONTINUING OPERATIONS

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in "*– Significant Factors Affecting our Results of Operations*" and the uncertainties described in "*Risk Factors*" on pages 287 and 21, respectively. To our knowledge, except as discussed in this Draft Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

EXPECTED FUTURE CHANGES IN RELATIONSHIP BETWEEN COSTS AND INCOME

Other than as described in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 21, 131 and 285 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.

COMPETITIVE CONDITIONS

We expect competitive conditions in our industry to further intensify as new entrants emerge and as existing competitors seek to emulate our business model and offer similar products and services. See "*Our Business*", "*Industry Overview*" and "*Risk Factors*" on pages 131, 98 and 21, respectively, for further details on competitive conditions that we face across our various business segments.

EXTENT TO WHICH MATERIAL INCREASES IN NET SALES OR REVENUE ARE DUE TO INCREASED SALES VOLUME, INTRODUCTION OF NEW PRODUCTS OR SERVICES OR INCREASED SALES PRICES

Changes in revenue in the last three Fiscals and the nine months ended December 31, 2020 and 2019, are as described in "*– Results of Operations – Nine Months ended December 31, 2020 compared to the Nine Months ended December 31, 2019*", "*– Results of Operations – Fiscal 2020 compared to Fiscal 2019*" and "*– Results of Operations – Fiscal 2019 compared to Fiscal 2018*" above on pages 301, 304 and 308, respectively.

SEGMENT REPORTING

As per Ind AS 108 "operating segments", specified under section 133 of the Companies Act, 2013, our Company is predominantly engaged in a single reportable segment of iron and steel. For further information, see "*Financial Statements – Note 53: Segment Reporting*" on page 278.

SIGNIFICANT DEPENDENCE ON SINGLE OR FEW CUSTOMERS

We are dependent on a limited number of customers for a significant portion of our revenues. In Fiscals 2018, 2019 and 2020, and in the nine months ended December 31, 2020, our top 10 customers represented 26.10%, 24.52%, 22.36% and 15.57%, respectively, of our total revenues from operations in such periods. While our largest customer represented 4.00%, 4.56%, 3.73% and 2.31%, respectively, of our total revenues from operations in Fiscals 2018, 2019 and 2020, and in the nine months ended December 31, 2020, respectively. For further information, see "*Risk Factors - A certain portion 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.*" on page 35.

SEASONALITY/ CYCLICALITY 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 "*- Significant Factors Affecting our Results of Operations – Seasonality of business*" on page 288.

SIGNIFICANT DEVELOPMENTS AFTER DECEMBER 31, 2020 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Except as otherwise disclosed in this Draft Red Herring Prospectus, to our knowledge no circumstances have arisen since December 31, 2020, that could materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

FINANCIAL INDEBTEDNESS

Our Company and Subsidiary, SSPL, have entered into various financing arrangements with various banks which include borrowings in the form of term loans, working capital facilities and unsecured loans in the ordinary course of business, for the purpose of meeting working capital, capital expenditure and business requirements.

Except as disclosed in "*Risk Factors - We are subject to certain restrictive covenants in our financing arrangements which may limit operational and financial flexibility, and failure to comply with these covenants may have a material adverse effect on our future results of operations and financial condition.*" on page 28, our Company has, in connection to the Offer, obtained the necessary consents as required under the relevant loan documentations for undertaking activities, including, *inter alia*, change in capital structure, change in shareholding pattern, including shareholding of the promoters and promoter group, change in management or board composition, amendment to constitutional documents of our Company, using the Offer proceeds to repay/pre-pay in part or full the existing borrowings, to invest in/lend to our Subsidiary, SSPL, and to undertake any expansion or acquisition of fixed assets as part of the Offer.

Pursuant to a special resolution of our Shareholders passed at the extra-ordinary general meeting dated June 11, 2018, our Board has been authorized to borrow monies, which, together with the monies borrowed exceeds the aggregate paid-up capital and free reserves apart from temporary loans borrowed in the ordinary course of business, from such person or persons on such terms and conditions as to the repayment, interest and otherwise as they may think fit and proper, provided that the total amount to be borrowed shall not, at any time, exceed ₹ 45,000 million.

Set forth below is a brief summary of the financial indebtedness, of our Company and our Subsidiaries, certified by S K Agrawal and Co Chartered Accountants LLP, *vide* their certificate dated February 24, 2021, as of December 31, 2020:

1. **Indian Rupee Loans**

(in ₹ million)

Nature of Borrowing	Total Amount Sanctioned (Fund and Non-fund based)	Fund Based Outstanding as on December 31, 2020	Non-Fund Based Outstanding as on December 31, 2020
Our Company			
Working capital	6,209.60	1,533.16	1,387.36
Term loan	750.00	711.66	0.00
Other secured loans	-	2.32	-
Unsecured loans	-	463.30	-
Total (A)	**6,959.60**	**2,710.44**	**1,387.36**
Our Subsidiaries			
Shyam SEL and Power Limited			
Working capital	7,118.10	1,426.17	2,379.38
Term loan	-	-	0.00
Other secured loans	-	0.67	-
Unsecured loans	-	468.88	-
Total (B)	**7,118.10**	**1,895.72**	**2,379.38**
Total Outstanding (I) = (A) + (B)		**4,606.16**	**3,766.74**

2. **Foreign Currency Loans**

Nature of Borrowing	Total Amount Sanctioned (Fund Based)	Fund Based Outstanding as on December 31, 2020	
	(in USD million)	(in ₹ million)*	(in USD million)
Our Company			
Working capital loan **(A)**	14.24	1,040.40	14.24
External commercial borrowings – term loan **(B)**	5.00	60.40	0.83
Our Subsidiaries			
Shyam SEL and Power Limited			
Working capital loan **(C)**	11.39	831.90	11.39
External commercial borrowings – term loan **(D)**	37.86	1,258.39	17.23
Total Outstanding (II) = (A) + (B) + (C) + (D)	**68.49**	**3,191.09**	**43.69**
Total fund-based outstanding as on December 31, 2020 (I) + (II)		**7,797.25**	
Total non-fund-based outstanding as on December 31, 2020 (I) + (II)		**3,766.74**	
Total outstanding		**11,563.99**	

** 1 USD = ₹ 73.0536 as per RBI/FBIL reference rate as on December 31, 2020*

Principal terms of the borrowings availed by our Company and SSPL:

The details provided below are indicative and there may be additional terms, conditions and requirements under the borrowing arrangements entered into by us:

1. ***Interest:*** In terms of the Indian rupee loans availed by us, the interest rate is either the MCLR of a specified lender or repo rate as prescribed by RBI and spread per annum, subject to a minimum interest rate, or at rates which are decided at the time of disbursement. With respect to foreign currency loans, the interest rate is typically the aggregate of the applicable margin/ spread and applicable LIBOR per annum, specified by the lender. The spread varies between different loans for different lenders.

2. ***Term and Tenor:*** The term of the fund-based facilities availed by our Company and SSPL typically ranges upto 2 years and 9 years respectively. The tenor of the non-fund based borrowings availed by our Company and SSPL typically is up to one year, in the manner agreed by the lenders.

3. ***Security:*** In terms of our borrowings where security is required to be created, we are typically required to:

    a) Create a first *pari passu* hypothecation charge on the current assets, including stocks of raw materials, work-in-progress, semi-finished and finished goods, stores and spares not relating to plant and machinery (consumable stores and spares), bills receivables and book debts, outstanding monies and all other moveables (both present and future) excluding such moveables as may be permitted by the lenders from time to time;

    b) Create a second *pari passu* hypothecation charge on the entire moveable fixed assets including moveable plant and machinery, equipment, tools, etc. (both present and future);

    c) Create second *pari passu* mortgage and charge over certain immovable properties; and

    d) Create first charge by way of equitable mortgage/ registered mortgage/ English mortgage over certain immovable property.

This is an indicative list and there may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

4. ***Re-payment:*** The working capital facilities and term loans are typically repayable on demand, or as per repayment schedule as mutually agreed between the lender and us as per the loan documentation. Some of our lenders have a right to modify or cancel the facilities without prior notice and require immediate repayment of all outstanding amounts.

5. ***Pre-payment:*** We may pre-pay in part or the full amount with prior consent, and certain pre-payment premium/ penalty is payable to some lenders, at rates in accordance with the terms and conditions agreed upon with a specific lender.

6. ***Penalty:*** We are required to pay penalties or enhanced rates of interest on the facilities typically within a range over and above the normal rate or a prescribed amount on the occurrence of certain events including, but not limited to, default in repayment of loan installments and/or servicing of interest, excess drawing beyond the available drawing power or sanctioned limit, breach of financial covenants, non-compliance of terms of sanctions, delay/non-submission of data and statements, non-renewal of insurance policies, etc.

7. ***Events of Default:*** Borrowing arrangements entered into by us contain standard events of default including:

    a) Default in repayment/ payment of the principal amount and interest and any other monies payable when the same becomes due and payable;

    b) Default in performance or observance of any covenant, condition, representation, warranty or agreement;

    c) Cease to carry on business or fail to conduct business to the satisfaction of the lender(s);

    d) Repudiation of a financing document or evidencing an intention to repudiate a finance document;

    e) Use of the facilities for any purpose other than for which it is sanctioned;

    f) Non-obtention of external credit risk rating;

    g) Occurrence of any event which jeopardizes or threatens the security in respect of the facilities;

    h) Occurrence of any material adverse effect in terms of the financing documents;

i) Any expropriation, attachment, distress, execution or other process against our Company, or third party enforcement of security created in favour of the lender; and

j) Misrepresentation, cross default, insolvency and any proceeding relating to insolvency.

This is an indicative list and there may be additional events of default under the various borrowing arrangements entered into by us.

8. ***Restrictive Covenants:*** Certain borrowing arrangements entered into by us contain restrictive covenants, including:

a) Change in capital structure of our Company, without prior permission of the lender;

b) Declare or pay dividends unless all the dues in respect of the facilities have been paid up to the date on which the dividend is proposed to be declared or paid;

c) Formulation of any scheme of amalgamation or reconstruction or merger or demerger, without prior permission of the lender;

d) Amendment of constitutional documents, without prior written approval of the lender;

e) Entering into borrowing arrangement either secured or unsecured with banks, financial institutions, company or otherwise or accept deposits which increases the indebtedness beyond permitted limits stipulated if any at the time of the sanction;

f) Invest by way of share capital or lend funds or place deposits with any other concern;

g) Undertake any guarantee obligation on behalf of any third party or any other company without prior written approval of the lender;

h) Sell, assign, mortgage, or otherwise dispose off any of the fixed assets charged to the lender, without prior written permission of the lender;

i) Undertake any scheme of expansion/ diversification/ modernisation other than incurring routine capital expenditure, without the prior written permission of the lender if such investments results in breach of financial covenants;

j) Enter into any contractual obligation of a long term nature (two years or more) or affecting the Company financially to a significant extent, without prior written permission of the lender except where mandated by any legal or regulatory provision;

k) Change the practice with regard to remuneration of directors, by means of ordinary resolution or commission, scale of sitting fees, etc., without prior written permission of the lender;

l) Undertake any trading activity other than the sale of products arising out of our own manufacturing operations, without prior written permission of the lender; and

m) Permit any transfer of the controlling interest or make any drastic changes in the management set up, without the prior written permission of the lender.

This is an indicative list and there may be additional restrictive covenants under the various borrowing arrangements entered into by us.

For further details in relation to our financial indebtedness, please see the section entitled "*Financial Information*" on page 210.

SECTION VIII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding (i) criminal proceedings involving our Company, Subsidiaries, Directors, or Promoters; (ii) actions by statutory or regulatory authorities involving our Company, Subsidiaries, Directors, or Promoters; (iii) claims relating to direct and indirect taxes involving our Company, Subsidiaries, Directors, or Promoters; and (iv) litigations or arbitration proceedings involving our Company, Subsidiaries, Directors or Promoters (other than proceedings covered under (i) to (iii) above) which has been determined to be material pursuant to the Materiality Policy (as disclosed herein below).

In accordance with the Materiality Policy, all pending litigation or arbitration proceedings (other than outstanding criminal proceedings, actions by statutory or regulatory authorities and claims relating to direct and indirect taxes mentioned in point (i) to (iii) above):

A. *involving our Company, our Promoters, our Directors and our Subsidiaries:*

   i. *where the aggregate monetary claim made by or against our Company and/or its Promoters and or its Directors and/or our Subsidiaries (individually or in aggregate), in any such pending litigation or arbitration proceeding is equal to or in excess of one percent of the consolidated profit after tax of our Company, in the most recently completed Fiscal as per the Restated Financial Statements.*

   The consolidated profit after tax of our Company for Fiscal 2020 as per the Restated Financial Statements was ₹ 3,403.29 million. Accordingly, we have disclosed all such outstanding litigation proceedings where the aggregate monetary claim made by or against our Company and Subsidiaries (individually or in aggregate), in any such pending litigation or arbitration proceeding is equal to or in excess of ₹ 34.03 million (being one per cent of our consolidated profit after tax in Fiscal 2020 as per the Restated Financial Statements); or

   ii. *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 have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company,*

have been considered "material" and accordingly have been disclosed in this Draft Red Herring Prospectus.

Further, there are no: (i) disciplinary actions (including penalties) imposed by SEBI or by the stock exchanges against our Promoters in the last five Fiscals, immediately preceding the date of this Draft Red Herring Prospectus, including any outstanding action; and (ii) outstanding litigation involving the Group Companies, which may have a material impact on our Company.

Further, in accordance with the Materiality Policy, our Company has considered such creditors 'material' to whom the amount due is equal to or in excess of five percent of the consolidated trade payables of our Company as of the end of the most recent period covered in the Restated Financial Statements. The consolidated trade payables of our Company as on December 31, 2020 was ₹ 3,538.10 million. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds ₹ 176.91 million as on December 31, 2020.

For the purposes of the above, pre-litigation notices received by our Company, Subsidiaries, Promoters, Directors or Group Companies from third parties (excluding those notices issued by statutory or regulatory or taxation authorities or notices threatening criminal action) have not and shall not, unless otherwise decided by our Board, be considered material until such time that our Company, or such Subsidiary, Promoter, Director or Group Company, as the case may be, is impleaded as a defendant in litigation before any judicial or arbitral forum.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus. All terms defined in a particular litigation disclosure below are for that particular litigation only.

Litigation involving our Company

Litigation against our Company

A. Actions initiated by regulatory or statutory authorities

1. Our Company and one of our Directors received various notices from the Employees' State Insurance Corporation ("**ESIC**") ("**ESI Notices**") for non-payment of contributions and non-submission of returns of contribution under the Employees' State Insurance Act, 1948 ("**ESI Act**"), for periods between July 2010 to November 2013, aggregating to a total payable amount of ₹ 19.04 million. Subsequently, our Company made an application for exemption from applicability of the ESI Act for the period from July 2010 to May 2014, which was rejected by the Principal Secretary, Odisha, vide

letter dated August 21, 2014. By orders of the Deputy Director (Rev-I), ESIC, Regional Office, Odisha, it was ordered that contributions amounting to an aggregate of ₹ 6.73 million be paid by our Company for the period from July 1, 2010 to March 31, 2011 and December 1, 2013 to July 31, 2014. Our Company has appealed against the order dated January 29, 2018 before the Appellate Authority, ESIC, Regional Office, Odisha. In connection with the same, our Company has filed a writ petitions under Articles 226 and 227 of the Constitution before the High Court of Orissa ("**HC**"), praying *inter alia* to quash the ESI Notices and demands, and to issue a writ to direct the State of Odisha to grant exemption to our Company from applicability of the ESI Act. By order dated July 11, 2017, the HC refused to entertain the writ petition, as the issue regarding exemption is pending in another writ petition and hence redundant for the current matter, and regarding the ESI Notices, the HC directed that our Company may file replies within three weeks.

Our Company has subsequently approached the HC, challenging the letter of the State of Odisha through the Department of Labour and ESI wherein the request of our Company for exemption from the purview of the ESI Act was rejected, and praying *inter alia* to quash such rejection letter. This matter is currently pending.

2. Our Company received a demand notice dated December 22, 2017 ("**Demand Notice**") from the office of the Superintending Engineer-cum-Electrical Inspector, Sambalpur ("**Electricity Inspector**") for alleged failure to pay outstanding sums towards electricity and calling upon our Company to pay ₹ 333.00 million as electricity duty and interest thereon. By subsequent letter dated January 2, 2018 ("**Subsequent Notice**"), the Electricity Inspector has requested our Company to deposit the outstanding amount. Our Company has replied to the Demand Notice and the Subsequent Notice by letter dated January 3, 2018 stating that *inter alia* our application for exemption is under consideration of the concerned department and that in accordance with the direction of the Electrical Inspector, we have deposited an amount of ₹ 20.00 million against our alleged outstanding dues. Accordingly, we have requested the Electrical Inspector not to initiate any coercive action against our Company.

   Subsequently, our Company received a letter dated January 12, 2018 from the office of the Superintending Engineer-cum-Electrical Inspector, Sambalpur ("**Letter**") instructing the disconnection of power supply to the power plant of our Company as per the Demand Notices, due to outstanding amount of ₹ 16.11 million electricity duty. Against the Letter, our Company has filed a writ petition before the High Court of Orissa ("**HC**") praying for *inter alia* quashing of the Demand Notice, the Subsequent Notice and the Letter. *Vide* interim order dated January 18, 2018, the HC has stayed the operation of the Letter, subject to deposit of 25% of the outstanding electricity duty, which has been deposited by our Company and intimated to the Superintending Engineer-cum-Electrical Inspector, Sambalpur by letter dated February 7, 2018. The matter is currently pending.

3. Our Company has received a notice from the Western Electricity Supply Company of Orissa Limited, Sambalpur ("**WESCO**") dated February 10, 2012, raising a demand of ₹ 222.04 million for open access charges ("**Demand Notice**"). Our Company has filed a writ petition before the High Court of Orissa ("**HC**") challenging the authority of WESCO to issue the Demand Notice, praying to *inter alia* issue a writ to quash the Demand Notice on the ground, amongst others, that open access charges as per the Electricity Act, 2003 read with the regulations made thereunder are not applicable to our Company as we operate only captive power plants. The HC passed an order dated May 4, 2012, directing that no coercive action be taken against the petitioner, i.e., our Company, until the next date of listing. The matter is currently pending.

4. A resolution dated May 18, 2015 was issued by the Department of Water Resources, Government of Odisha ("**DWR**') providing that pursuant to the State Cabinet's approval to create a water conversation fund, it has been decided to create a corpus fund, by collection of ₹ 25.00 million per cusec of water allocated to industries, which will be utilized for construction of different conservation projects ("**Resolution I**"). A further resolution dated November 3, 2015 was issued modifying Resolution I to the extent that industries will contribute ₹ 25.00 million per cusec of water in five equal instalments in the coming five years and that all industries must enter into a water agreement for the purpose of drawing of water each year, before which the contribution amount is to be paid, at the time of entering into the agreement, or renewal, as the case may be ("**Resolution II**"). A further notice dated June 8, 2015 was issued by the DWR to the Chief Engineer, Water Resources, Bhubaneshwar, requesting him to inform all industries drawing one cusec of water or more to deposit the said amount as per the allocated quantity of water. Our Company received notice dated July 14, 2015 from the office of the Executive Engineer, Main Dam Division, Bula calling upon us to deposit ₹ 141.00 million towards the water conservation fund against 5.64 cusec of water allocated to us. ("**Demand Notice**").

   Our Company has approached the High Court of Odisha, Cuttack challenging the Resolution I, Resolution II and the Demand Notice alleging them to be illegal, arbitrary and without the authority of law, paying for *inter alia* quashing of the same. By order dated May 17, 2016, the High Court of Odisha has directed that no coercive action shall be taken against the petitioner, i.e., our Company, in pursuance of the impugned order, until the next date of listing. The matter is currently pending.

5. Our Company received a notice dated November 12, 2009 from the South Eastern Railway with reference to our proposal for development of iron ore loading siding. The South Eastern Railway requested our Company to deposit ₹ 50.00 million

as non-refundable registration fees for the private railway siding at Banspani, and to submit an undertaking that we will abide by all the provisions of policy instructions issued, *vide* a freight marketing circular of 2008 ("**Notice I**"). A further notice dated August 3, 2010 was issued by the South Eastern Railway to our Company as no reply was received to Notice I, requesting our Company to inform the office if we are interested to develop the siding ("**Notice II**").

Our Company has approached the High Court of Calcutta challenging Notice I and Notice II *inter alia* on the ground that the circular of 2008 referred to in the said notices do not apply to our Company as the circular is applicable to applications made subsequent to August 28, 2008 and the detailed project report submitted by our Company to the Railways was approved in December 2007. This matter is currently pending.

6. Our Company received certain notices from the Pollution Control Board, Odisha ("**PCB**") noting certain non-compliances with environmental laws and calling upon us to *inter alia* rectify the same and submit a bank guarantee for ₹ 3.50 million ("**Bank Guarantee**") along with a supporting affidavit to comply with the applicable environmental laws and regulations ("**Affidavit**"). By further notice dated June 28, 2012, the PCB requested us to forfeit the Bank Guarantee due to failure to comply with conditions stipulated in the Affidavit during the tenure of the Bank Guarantee ("**Notice**"). Our Company has appealed against the Notice before the Appellate Authority constituted under Section 31 of the Air (Prevention and Control of Pollution) Act, 1981 ("**Appellate Authority**") challenging such invocation of the Bank Guarantee. By order of the Appellate Authority dated August 18, 2012, as an interim measure, the PCB has been directed not to encash the Bank Guarantee until further orders. The matter is currently pending.

7. Our Company has filed applications before the Court of District Judge-cum-Employees State Insurance Court, Sambalpur against the Deputy Director cum Authorized Officer, Employees State Insurance Corporation, Regional Office, Odisha ("**Respondent**"), and others, seeking declarations that (i) the Order dated November 10, 2017, passed by Respondent assessing ₹ 2.42 million towards employees state insurance contributions for the period from July 1, 2010 to March 31, 2011, (ii) the Order dated November 13, 2017, passed by Respondent assessing ₹ 9.62 million towards employees state insurance contributions for the period from April 1, 2011 to November 30, 2013, and (iii) the Order dated January 29, 2018, passed by Respondent assessing ₹ 4.31 million towards employees state insurance contributions for the period from December 1, 2013 to October 31, 2014, against our Company, be declared illegal, unjustified and quashed. The matters are currently pending.

B. Outstanding material civil litigation

1. The Registrar (Judicial) O.H.C. filed a writ petition before the High Court of Orissa, Cuttack, against the State of Odisha, and several other entities, including our Company, in terms of the direction of the Supreme Court of India's order dated January 31, 2014, in writ petition No. 79 of 2005, to examine whether coal firedthermal power plants ("**CFTPPs**") are complying with safety standards and the rules and regulations relating to the health of employees working in various CFTPPs in Odisha. The matter is currently pending.

2. Shyam Steel Industries Limited ("**SSIL**") filed a petition before the High Court of Calcutta ("**High Court**") against our Company and SSPL, seeking an injunction restraining our Company and SSPL (including our directors, promoters, officers, etc.) from (i) infringing SSIL's registered trade mark "*Shyam*" and its variants by use of any mark comprising of "*Shyam*" or any other mark identicial and/or deceptively similar to "*Shyam*", in connection with TMT bars, structural steel and other products, and (ii) passing off and enabling others to pass off SSIL's products by use of trade marks comprising of "*Shyam*" and/or any other trade mark similar thereto. The single bench of the High Court, *vide* order dated April 2, 2019 ("**Single Bench Order**"), refused to pass orders as prayed for by SSIL, but directed our Company and SSPL to maintain weekly accounts of sale of the products which are sold under the mark "*Shyam*". Subsequently, SSIL filed an appeal against the Single Bench Order, before the division bench of the High Court. The division bench of the High Court, *vide* order dated December 24, 2019 ("**Division Bench Order**"), ordered an injunction against our Company and SSPL, restraining us from manufacturing, selling or advertising their goods with the mark "*Shyam*" or with a label or device containing the mark "*Shyam*", till disposal of the suit. Thereafter, our Company and SSPL filed a special leave petition before the Supreme Court of India against the Division Bench Order, seeking amongst other things, an order granting (i) a special leave to appeal against the Division Bench Order and (ii) a stay on the operation and effect of the Division Bench Order. The Supreme Court of India, *vide* order dated June 16, 2020, held that the Division Bench Order shall be stayed. The matter is currently pending.

Litigation by our Company

A. Outstanding criminal proceedings

1. Our Company has filed a criminal complaint before Chief Judicial Magistrate at Sambalpur under Sections 420, 120B and 34 of the Indian Penal Code, 1860, for cheating and criminal conspiracy against Action Ispat and Power Private Limited, in relation to dishonour of cheque of an amount of ₹ 45.50 million for several purchase orders for supply of iron ore pellets of specified quantity. This matter is currently pending.

2. Our Company has filed a criminal complaint before the Sub-Divisional Judicial Magistrate at Sambalpur for offences committed under Sections 420, 428, 416 and 120B of the Indian Penal Code, 1860, against Rudradev Aviation Private Limited, in relation to recovery of an aggregate sum of ₹ 6.28 million for supply of TMT bars against purchase orders. By order of the Sub-Divisional Judicial Magistrate, Sambalpur dated September 3, 2015, the court directed the original complaint petition to be registered as a case under Section 156(3) and to submit a report after due investigation. This matter is currently pending.

3. Our Company has filed a criminal complaint before the Sub-Divisional Judicial Magistrate at Sambalpur, for offence committed under Section 138 of the Negotiable Instruments Act, 1881 against Shree Baladevjew Infrastructure Private Limited and its managing director in relation to dishonour of cheque for a sum of ₹ 1.25 million received by the Company as payment in lieu of the TMT bars sold on a credit basis. This matter is currently pending.

4. Our Company has filed two criminal complaints before the Chief Metropolitan Magistrate Court at Calcutta, under Section 200 of the Code of Criminal Procedure, 1973 read with Sections 138 and 142 of the Negotiable Instruments Act, 1881 against D.K. Bhattacharjee in relation to dishonour of cheque for an aggregate sum of ₹ 6.03 million given by D.K. Bhattacharjee while re-paying an advance payment made by our Company in furtherance of a purchase order. This matter is currently pending.

5. Our Company has filed a criminal complaint before the Judicial Magistrate First Class, Chandbali against Mercuria Energy Trading Private Limited, Singapore and Mercuria Energy Trading S.A., Switzerland in relation to offence committed under Section 418 of the Indian Penal Code, 1860 for refusal to refund an aggregate amount of USD 0.32 million to our Company. In the criminal complaint filed, we have inadvertently mentioned the name of the court as Sub-Divisional Judicial Magistrate, Bhadrak. By orders of the Judicial Magistrate First Class, Chandbali, the magistrate directed that the complaint be treated as a first information report and for an investigation to be taken up. The case is currently pending.

B. Outstanding material civil litigation

1. Our Company has filed a company petition before the High Court of Delhi under Section 433(e) and 433(f), 434 and 439 of the Companies Act, 1956 for winding up of Action Ispat and Power Private Limited ("**Respondent Company**"), in relation to failure, neglect and refusal to pay ₹ 45.50 million. Our Company has prayed for winding up of the Respondent Company and for costs of and incidental to the petition to be paid or realised out of the assets and properties of the Respondent Company. By order dated September 2, 2016, the High Court of Delhi directed the Respondent Company not to part with possession of any assets of the company to the tune of ₹ 45.50 million. By orders dated November 17, 2017, the High Court of Delhi noted that the matter is pending before the Mediation Centre. However, by order dated February 26, 2018, the High Court of Delhi noted that the mediation process has failed and directed the Respondent Company to file its reply. By order dated May 18, 2018, the High Court of Delhi noted that the Respondent Company stated that they will make an attempt to settle the matter, and accordingly adjourned the matter. Subsequently, pursuant to an application filed by State Bank of India, the High Court of Delhi passed an order dated January 14, 2019, for transferring the aforesaid petition to the National Company Law Tribunal. This matter is currently pending.

2. Our Company has filed a writ petition before the High Court of Delhi against Coal India Limited and others ("**Respondents**") under Article 226 of the Constitution of India in relation to the proportionate deduction of the bank guarantee of the Company from the bank guarantee of an amount of approximately ₹ 1,112.40 million. Our Company has sought appropriate directions against some of the Respondents to restrain them from taking further steps in relation to the invoking of the bank guarantee. A counter affidavit has been filed by the Ministry of Coal, Government of India, which is one of the Respondents. By order dated February 19, 2018, the High Court of Delhi directed the Respondents to ensure that if there is no demand in excess of the disputed amount of ₹ 220.00 million, the bank guarantee furnished by our Company should be released. This matter is currently pending.

3. Our Company has filed a writ petition before the High Court of Orissa at Cuttack ("**High Court**") against Odisha Mining Corporation Limited ("**OMC**") and others (collectively, the"**Respondents**"), alleging the demand of ₹ 40.88 million raised by OMC towards contribution to the District Mineral Foundation ("**DMF**") and National Mineral Exploration Trust ("**NMET**") for iron ore and chrome ore supplied to the Company from the mines of OMC, to be illegal and arbitrary. Our Company had, *vide* the aforesaid petition, sought, amongst other things, an order (i) declaring that the Company is not liable to make contributions to the DMF and NMET, (ii) quashing and setting aside the demand notices sent by OMC to the Company, (iii) restraining the Respondents from taking any coercive action pursuant to the impugned demand notices, and (iv) directing OMC to supply chrome ore and iron ore to the Company without insisting on payment of contribution to DMF and NMET. The High Court passed an order dated March 29, 2017, staying the demand notices issued to the Company by OMC. The matter is currently pending.

4. Our Company and SSPL (collectively, the "**Plaintiffs**") filed a civil suit against Raman Ravi and others (collectively, the

"**Defendants**") before the High Court of Calcutta seeking amongst other things, a decree against the Defendants, jointly and/or severally, for an amount of ₹ 187.25 million along with *pendente lite* interest and interest on judgment at 18% per annum, as a result of the Defendants' non-payment of the principal sum in respect of TMT bars supplied by the Plaintiffs. The matter is currently pending.

Litigation involving our Subsidiaries

Litigation against our Subsidiaries

Litigation against Shyam SEL and Power Limited ("SSPL")

A. Actions initiated by regulatory or statutory authorities

1. Our Subsidiary, SSPL, received a show cause notice dated January 22, 2013 from the South Eastern Railway, Chakradharpur Division, for alleged evasion of freight amount of ₹ 122.58 million payable to the Railway Administration for the periods between 2008-09 and 2009-10, and calling upon SSPL to pay ₹ 490.31 million as mis-declaration penalty ("**Notice I**"). SSPL has replied to the Notice I by letter dated March 14, 2013 denying all allegations made therein.

   SSPL received another demand notice dated December 21, 2015 from the South Eastern Railway, for allegedly wrongfully utilising concessional freight charges, and calling upon SSPL to pay ₹ 1,291.12 million towards the difference between normal and concessional freight charges, as well as penalty for providing misleading information, in respect of the period from May 22, 2008 to March 31, 2011 ("**Notice II**"). Referring to the previous show-cause opportunity provided *vide* Notice I, the Notice II called upon SSPL to deposit the complete amount of ₹ 1,291.12 million within seven days of receipt thereof. SSPL has replied to Notice II by letter dated December 28, 2015 denying all allegations made therein.

   Subsequently, the Union of India, Ministry of Railways filed a suit against out Subsidiary, SSPL, and seven of its directors, including Brij Bhushan Agarwal, Sanjay Kumar Agarwal and Venkata Krishna Nageswara Rao Majji before the High Court at Calcutta ("**Calcutta HC**"), claiming *inter alia* recovery of a sum of ₹ 1,291.12 million, along with interest and an injunction restraining SSPL and their agents from loading iron ore through the Indian railways for wrongfully utilising the concessional freight rate offered by the railways, in breach of the conditions prescribed in rate circulars issued by the railways. By order dated January 15, 2018, the Calcutta HC extended the time to file written statement by three weeks, subject to payment of a certain amount. SSPL made an application to recall the order dated January 15, 2018 and to further extend the time to file written statement. By orders dated February 8, 2018 and May 7, 2018, the Calcutta HC directed that no order was required in the said application and disposed of the same.

   By order of the Calcutta HC dated July 24, 2018, the court has allowed the application filed for deletion of names of six of the directors, including Brij Bhushan Agarwal and Sanjay Kumar Agarwal. This matter is currently pending.

B. Outstanding criminal proceedings

1. A notice was received by our Subsidiary, SSPL, from the Bureau of Indian Standards ("**BIS**") dated January 25, 2013 seizing certain articles pursuant to a search and seizure conducted at the premises of SSPL for allegedly misusing a BIS mark on a different item from the item it was authorised for. Another notice dated January 30, 2013 was received from the BIS *inter alia* stating that due to misuse of an ISI mark, it was decided to put the BIS license under "stop marking" with immediate effect, and hence preventing SSPL from marking or dispatching any product with the said ISI mark, and calling upon SSPL to deposit ₹ 3,371 towards special inspection charges (collectively, "**Notices**"). By letter dated February 26, 2013, SSPL has responded to the notice dated January 30, 2013 *inter alia* submitting the relevant documents and confirming compliance with the conditions mentioned in the Notices.

   Subsequently, a criminal complaint has been filed by the Bureau of Indian Standards ("**Complainant**") against our Subsidiary, SSPL, before the Court of the Chief Judicial Magistrate at Burdwan, under Section 33(1) of the Bureau of Indian Standards Act, for violation of Section 11(1) of the Bureau of Indian Standards Act on the grounds that SSPL had manufactured certain items without mandatory certification. SSPL subsequently filed an application under Section 482 of the Code of Criminal Procedure, 1973 before the High Court of Calcutta ("**HC**"), pursuant to which an interim order dated October 3, 2014 was passed staying all other proceedings relating to the criminal complaint ("**Interim Order**"). The Complainant subsequently approached the HC to vacate the Interim Order. The matter is currently pending.

Litigation by our Subsidiaries

Litigation by Shyam SEL and Power Limited ("SSPL")

A. Outstanding criminal proceedings

1. Four criminal complaints have been filed by SSPL before the Court of Chief Metropolitan Magistrate, Calcutta, against Megh Narayan Singh, under Section 138 of the Negotiable Instruments Act, 1881, for dishonour of cheque for an amount aggregating to ₹ 5.90 million for supply of TMT rebars by SSPL. These matters are currently pending.

2. A criminal complaint has been filed by our Subsidiary, SSPL, against Megh Narayan Singh ("**Accused**") for offences committed under Sections 420, 406, 471, 468 and 467 of the Indian Penal Code, 1860, for ₹ 8.70 million. The matter is currently pending.

3. A criminal complaint has been filed by our SSPL before the Court of Chief Metropolitan Magistrate, Calcutta, against Centom Industries Limited, under Section 200 of the Code of Criminal Procedure, 1973 in relation to offences under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881, for dishonour of cheque for an amount of ₹ 5.31 million given in lieu as refund for non-fulfilment of the purchase order of silico manganese placed by SSPL towards Centom Industries Limited. The matter is currently pending.

4. Four criminal complaints have been filed by SSPL before the Court of Chief Metropolitan Magistrate, Kolkata, against G. Agarwal, under Section 138 of the Negotiable Instruments Act, 1881, for dishonour of cheque for an amount aggregating to ₹ 0.41 million for supply of TMT rebars by SSPL. These matters are currently pending.

5. A criminal complaint has been filed by Alok Mishra, a senior official of SSPL, against Ranjit Pandurathi, proprietor of M/s Core Minerals before the Additional Chief Judicial Magistrate, Asansol under Section 156(3) of the Code of Criminal Procedure, 1973 for offences committed under Sections 420, 406, 467, 471, 506 and 34 of the Indian Penal Code, 1860 for refusing to return an advance aggregate amount of ₹ 8.80 million to SSPL, praying the court to direct investigation of the same. The matter is currently pending.

6. A criminal complaint has been filed by SSPL before the Additional Metropolitan Magistrate at Calcutta, against Rabin Singha Heavy Earth Movers Company Private Limited, under Section 200 of the Code of Criminal Procedure, 1973, in relation to dishonour of cheques for an amount aggregating to ₹ 2.16 million for full/part relinquishment of existing debt and liabilities made over to SSPL. The matter is currently pending.

7. Our Subsidiary, SSPL, has filed an FIR against Rudradev Township Private Limited and RR Info Park Private Limited ("**Accused Companies**") and their respective directors ("**Accused Persons**") for failure of the Accused Companies to pay an aggregate amount of ₹ 24.34 million to SSPL for supply of TMT bars. By order dated June 15, 2015, the High Court of Madras has granted anticipatory bail to the Accused Persons for a certain period of time, subject to the condition that the Accused Persons shall surrender to the Metropolitan Magistrate, Saidapet, Chennai. By notices of the Criminal Investigation Department, Government of West Bengal, dated June 24, 2015 and July 2, 2015, one of the Accused Persons, director of RR Info Park Private Limited was directed to appear before the Sub-Inspector of Police. A proclamation was issued by the Additional Chief Judicial Magistrate, Asansol dated September 4, 2017, directing that the Accused Persons are required to appear before the court ("**Proclamation**"). Certain of the directors of the Accused Companies filed a writ petition before the High Court of Madras, pursuant to which interim injunction dated December 7, 2017 and December 15, 2017 was granted, restraining the Inspector of Police from taking any coercive action against the petitioner directors as per the Proclamation. A settlement agreement dated April 18, 2018 was entered into between our Company, SSPL and Rudradev Township Private Limited for the amount due to our Company and SSPL from Rudradev Township Private Limited. This matter is currently pending.

8. An application has been filed by SSPL and others (collectively, the "**Applicants**") before the High Court of Calcutta ("**Calcutta HC**") against the Bureau of Indian Standards ("**BIS**") praying for, amongst other things, the Calcutta HC to call upon BIS to show cause as to why the criminal complaint as filed against SSPL ("**Complaint**"), before the Court of the Chief Judicial Magistrate at Burdwan under Section 33(1) of the Bureau of Indian Standards Act, must not be quashed, cancelled and set-aside. The Applicants further prayed a stay order to be passed in respect of all further proceedings in relation to the Complaint. The matter is currently pending. For further details, please refer to " - *Litigation against our Subsidiaries - Outstanding criminal proceedings*" on page 325.

9. A criminal complaint has been filed by SSPL before the Court of Chief Metropolitan Magistrate, Calcutta, against Venugopal N. Dhoot, one of the directors and principal officers of Videocon Industries Limited ("**VIL**"), under Section 138 of the Negotiable Instruments Act, 1881, for dishonour of cheque for an amount aggregating to ₹ 25.00 million issued by VIL in the capacity of a guarantor. The matter is currently pending.

10. A criminal complaint has been filed by Alok Mishra, Factory Manager of SSPL, before the Chief Judicial Magistrate, Paschim Barddhaman at Asansol, against Phulchand Export Private Limited, Phulchand Ramgopal Agarwal and others (collectively, the "**Accused**"), for offences committed under Sections 34, 406, 420 and 506 of the Indian Penal Code, 1860, for ₹ 14.23 million. The matter is currently pending.

B. *Outstanding material civil litigation*

1. SSPL and our Company filed a civil suit against Raman Ravi and others before the High Court of Calcutta. The matter is currently pending. For further details, please refer to " – *Litigations by our Company – Outstanding material civil litigation*" on page 324.

2. SSPL and our Company filed a special leave petition against the order of the division bench of the High Court of Calcutta dated December 24, 2019, granting an injunction in favour of Shyam Steel Industries Limited, in respect of the "*Shyam*" trade mark. The matter is currently pending. For further details, please refer to " – *Litigations by our Company – Outstanding material civil litigation*" on page 324.

3. SSPL has initiated arbitration against the West Bengal Mineral Development & Trading Corporation Limited ("**WBMDTCL**") and West Bengal Industrial Development Corporation Limited ("**WBIDCL**". and along with WBMDTCL, the "**Respondents**"), for seeking (i) specific performance by WBMDTCL of the Development Agreement dated February 4, 2008, and two memoranda of understanding dated January 11, 2011 and March 1, 2011, respectively, and (ii) necessary direction to be given to the Respondents to, *inter alia*, render necessary assistance to carry out activities from pre-mining stage up to mining and raising of coal from the trans Damodar coal block, and render assistance to SSPL to obtain long term supply of iron required for the concerned project. SSPL also sought an award of ₹ 2,834.90 million, and a perpetual injunction restraining the Respondents from acting in any manner inconsistent with or in breach of their respective obligations under the aforesaid agreement and memoranda. The matter is currently pending.

4. SSPL filed a petition before the High Court of Calcutta ("**High Court**") against Atibir Industries Company Limited ("**Atibir**") seeking amongst other things, (a) a decree of permanent injunction restraining Atibir, its agents, servants, dealers, distributors or assigns from (i) using, selling, manufacturing or distributing TMT bars or its allied products under the trade mark "SEL" or "ISEL" or any other mark identical or deceptively similar thereto, (ii) hosting or using a domain name www.iselsteel.com or any other domain name with the mark "SEL" or "ISEL" which is identical or deceptively similar to SSPL's trade mark "SEL", and (b) an enquiry into the loss and damages already suffered by SSPL for the wrongful and illegal acts committed by Atibir by manufacturing, marketing and/or advertising TMT bars under the trade mark "ISEL", and a decree against Atibir for the sum found due on such enquiry. The High Court *vide* an order dated January 28, 2020, passed an order granting the injunction prayed for by SSPL. The matter is currently pending.

Litigation involving our Promoters

Litigation against our Promoters

A. *Outstanding criminal proceedings*

1. For details in relation to criminal proceedings against our Promoters, please see " – *Litigation involving our Directors*" on page 328.

Litigation by our Promoters

A. *Outstanding criminal proceedings*

1. Four criminals complaints have been filed by Subham Capital, before the Chief Judicial Magistrate, Kolkata, against Surya Mansions Private Limited and seven of its directors under Section 138 read with 141 of the Negotiable Instruments Act, 1881 for dishonour of cheque of an amount aggregating to ₹ 10.00 million for repayment of an advance paid by Subham Capital, pursuant to an agreement of sale for an office space. This matter is currently pending.

2. Two criminals complaints have been filed by Subham Capital, before the Chief Metropolitan Magistrate, Kolkata, against Skipper Textiles Private Limited and three of its directors under Section 138 read with 141 of the Negotiable Instruments Act, 1881 for dishonour of cheque of an amount aggregating to ₹ 35.00 million for repayment of loan provided by Subham Capital. This matter is currently pending.

3. Two criminals complaints have been filed by Subham Capital, before the Chief Metropolitan Magistrate, Kolkata, against Ideal Real Estates Private Limited and four of its directors under Section 138 read with 141 of the Negotiable Instruments Act, 1881 for dishonour of cheque of an amount aggregating to ₹ 60.00 million for repayment of loan provided by Subham Capital. This matter is currently pending.

4. A criminal complaint has been filed by Subham Capital before the Court of Chief Metropolitan Magistrate, Calcutta, against Venugopal N. Dhoot, one of the directors and principal officers of Videocon Industries Limited ("**VIL**"), under Section 138 of the Negotiable Instruments Act, 1881, for dishonour of cheque for an amount aggregating to ₹ 25.00 million issued by VIL in the capacity of a guarantor. The matter is currently pending.

5. A criminal complaint has been filed by Narantak Dealcomm, before the Chief Judicial Magistrate, Kolkata, against Maheshwari Ispat Limited ("**Accused**"), and three of its directors, under Section 138 and 141 of the Negotiable Instruments Act, 1881 for dishonour of cheque of an amount of ₹ 2.50 million for repayment of an instalment of a loan availed by the Accused from Narantak Dealcomm. This matter is currently pending.

B. Outstanding material civil litigation

1. Subham Capital, has filed a company petition before the High Court at Calcutta ("**HC**") under Sections 433, 434 and 439 of the Companies Act, 1956 against Surya Mansions Private Limited ("**Respondent**") for winding up on the ground of dishonour of eight cheques aggregating to an amount of ₹ 30.10 million for repayment of an advance paid by our Promoter, Subham Capital, pursuant to an agreement of sale for an office space. Subsequently, a deed of undertaking was entered into between Subham Capital and the Respondent, whereby the Respondent undertook to repay ₹ 35.00 million to Subham Capital, which was taken on record by the HC *vide* order dated January 27, 2014. Following dishonour of the undertaking by the Respondent, the HC passed an order dated July 7, 2014 admitting the winding up petition. The matter is currently pending.

2. Subham Capital filed an application before the National Company Law Tribunal, Kolkata Bench ("**NCLT**") to initiate corporate insolvency resolution process under Chapter II of Part II of the Insolvency and Bankruptcy Code, 2016, against Ideal Real Estates Private Limited ("**Corporate Debtor**") to recover dues to the tune of ₹ 59.68 million (including interest) from the Corporate Debtor. The dues were in connection to a loan received by the Corporate Debtor from Subham Capital pursuant to a Memorandum of Understanding dated January 9, 2015, entered into by the aforesaid parties. The matter is currently pending.

Outstanding litigation involving our Group Companies which has a material impact on our Company

Shyam Ferro Alloys Limited ("SFAL")

A. Outstanding criminal proceedings filed against SFAL which has a material impact on our Company

1. A criminal complaint ("**Complaint**") has been filed against our Group Company, Shyam Ferro Alloys Limited, and its directors, including our Promoter and Director, Mahabir Prasad Agarwal, by Amrit Lal Jain ("**Complainant**") before the Tiz Hazari Court, Delhi, for offences committed under Sections 406, 417, 420 and 467 of the Indian Penal Code for causing wrongful loss to the Complainant by wrongfully encashing a security cheque which was to be returned to the Complainant on completion of all commercial transactions between the Complaint and our Group Company, SFAL. Subsequently, Mahabir Prasad Agarwal filed a petition before the High Court of Delhi ("**High Court**") praying for the quashing of the proceedings arising out of the Complaint. The High Court, *vide* order dated August 17, 2018, quashed the proceedings arising out of the Complaint *qua* Mahabir Prasad Agarwal. The matter is currently pending against SFAL.

S.S. Natural Resources Private Limited ("SSNRPL")

A. Outstanding material civil litigation which has a material impact on our Company

1. SSNRPL has filed an appeal before the National Company Law Appellate Tribunal at New Delhi ("**NCLAT**") against Ramsarup Industries Limited ("**Corporate Debtor**") and others, seeking an order setting aside the order dated September 4, 2019, passed by the National Company Law Tribunal, Kolkata Bench ("**NCLT**"), whereby the NCLT had allegedly, without consent, made certain modifications to the resolution plan dated March 3, 2019, submitted by SSNRPL and increased the outflow of SSNRPL beyond the sum of ₹ 4,000.00 million approved by the Committee of Creditors of the Corporate Debtor. The matter is currently pending.

Litigation involving our Directors

Litigation against our Directors

A. Outstanding criminal proceedings

1. 17 criminal complaints have been filed against certain of Directors and others ("**Accused**") before the Sub-Divisional Judicial Magistrate, Sambalpur ("**SDJM**"), for alleged offences committed under the Odisha Factories Act, Factories Act, 1948, the Odisha Factories Rules, 1950 and the Indian Penal Code, 1860, for injuries sustained by workers, some of which resulted in death, and for certain non-compliances noted upon inspection by authorities of Factories and Boilers departments, Sambalpur. On appearance before the SDJM, the Accused were released on bail by various orders. These matters are currently pending before the SDJM. Additionally, criminal complaints have also been filed previously against certain of our employees before the Sub-Divisional Judicial Magistrate, Sambalpur in relation to alleged violations, arising during the course of their employment.

2. One criminal complaint has been filed against our Directors, Mahabir Prasad Agarwal, Brij Bhushan Agarwal, Sanjay Kumar Agarwal and Dev Kumar Tiwari under Rule 13 of the Orissa Factories Rules, 1950 for violation of Rule 3(2) of the Orissa Factory Rules. The matter is currently pending.

Tax Proceedings

Except as disclosed below, there are no outstanding tax proceedings involving our Company, Directors or Promoters or our Subsidiaries.

Nature of cases	Number of cases	Amount involved (in ₹ million)
Company		
Direct Tax	6	72.09
Indirect Tax	21	106.25
Directors		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Promoters		
Direct Tax	9	40.30
Indirect Tax	Nil	Nil
SSPL		
Direct Tax	4	25.04
Indirect Tax	46	1,722.91

Outstanding dues to Creditors

As per the Materiality Policy, creditors to whom an amount exceeding ₹ 176.91 million, which is 5% of the total consolidated trade payables of our Company as of the end of the most recent period covered in the Restated Financial Statements, i.e. as of December 31, 2020, were considered 'material' creditors. Based on the above, there are 2 material creditors of our Company as on December 31, 2020, to whom an aggregate amount of ₹ 535.42 million was outstanding. Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at December 31, 2020, by our Company, are set out below:

Type of creditors	Number of creditors	Amount involved (in ₹ million)
Micro, small and medium enterprises	14	5.22
Material creditors	2	535.42
Other creditors	2,275	2,997.46
Total	**2,291**	**3,538.10**

The details pertaining to net outstanding dues towards our material creditors are available on the website of our Company at https://www.shyammetalics.com/about-us/financials/.

It is clarified that 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, https://www.shyammetalics.com/ would be doing so at their own risk.

Material Developments

Except as otherwise disclosed in this Draft Red Herring Prospectus, to our knowledge no circumstances have arisen since December 31, 2020, that could materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

GOVERNMENT AND THE APPROVALS

Our Company and Material Subsidiary have 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 our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Draft Red Herring Prospectus certain licenses/ approvals may have expired in their normal course and our Company or Material Subsidiary, as applicable, has either made applications to the appropriate authorities for such licenses/ approvals, or is in the process of making such applications. For further details in connection with the applicable regulatory and legal framework, please see the section entitled "Key Regulations and Policies in India" on page 151.

The objects clause of the Memorandum of Association enables our Company and our Subsidiaries to undertake their present business activities.

A. Incorporation Details of our Company

1. Certificate of incorporation dated December 10, 2002 issued by the RoC to our Company, in its former name, being Shyam DRI Power Limited.

2. Fresh certificate of incorporation dated January 5, 2010 issued by the RoC to our Company, consequent upon change of name to Shyam Metalics and Energy Limited.

3. Our Company was allotted a corporate identification number U40101WB2002PL095491.

B. Incorporation Details of our Material Subsidiary

1. Certificate of incorporation dated September 5, 1991 issued by the RoC to our Material Subsidiary, in its former name, being Shyama Cast Private Limited.

2. Fresh Certificate of incorporation dated April 22, 2008 issued by the RoC to our Material Subsidiary, consequent upon change of name to Shyam Sel and Power Limited.

3. Our Material Subsidiary was allotted a Corporate Identification Number U27109WB1991PLC052962

C. Approvals in relation to the Offer

For details, please see the section entitled "*Other Regulatory and Statutory Disclosures*" on page 333.

D. Material approvals under tax laws

Our Company and our Material Subsidiary are required to register themselves under various tax laws such as the IT Act and GST Act, 2017. Our Company and our Material Subsidiary are also required to pay state specific professional tax. Our Company and our Material Subsidiary have obtained the necessary licenses, approvals and registrations from the appropriate regulatory and governing authorities in relation to such tax laws.

E. Material approvals in relation our business operations

In order to operate our manufacturing plants, our Company and our Material Subsidiary require various approvals and/or licenses under various laws, rules and regulations. These approvals/ licenses include approvals, authorisations from the central and state pollution control boards, including consent to operate and consents for emission of hazardous wastes, license to work and operate a factory, registrations under the Legal Metrology Act, 2009, no-objection certificate ("**NOCs**") from concerned fire and safety departments, approvals for use of boilers under the Boilers Act, NOC for withdrawal of ground water, NOC for surface water, BIS registrations for billets and TMT, etc.

Some of our approvals/ licenses may have expired in the normal course of business and we have applied or are in the process of making applications for renewal of the same. For details, please see "– *Material Pending approvals*" below on page 331.

F. Material foreign trade related approvals

Our Company, and our Material Subsidiary, SSPL, have obtained the required registrations issued by the Ministry of Commerce and Industry, Government of India, allotting the Importer-Exporter Code.

G. Material registrations under employment laws

Our Company and our Material Subsidiary have obtained the relevant factories licenses in respect of each of the units where manufacturing activities are undertaken, i.e., at our Sambalpur, Mangalpur and Jamuria manufacturing plants. 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, and have obtained certified standing orders under the Industrial Employment (Standing Orders) Act, 1946.

H. *Intellectual property*

Trademarks

Our Company and our Material Subsidiary SSPL, have made trademark applications for the following which are yet to be received:

S. No.	Company/Material Subsidiary	Trademark Image	Application no.	Class of trademark	Applied on
1.	SSPL	SHYAM METALICS ORE TO METAL	3853508	6	June 6, 2018
2.	SMEL	SHYAM METALICS ORE TO METAL	3861570	19	June 15, 2018
3.	SMEL	SHYAM METALICS ORE TO METAL	3861569	6	June 15, 2018
4.	SSPL	SHYAM METALICS ORE TO METAL	3853509	19	June 6, 2018
5.	SSPL	S E L	4315323	6	October 9, 2019
6.	SMEL	SMEL	4678246	6	September 29, 2020
7.	SMEL	SMEL	4678383	19	September 29, 2020
8.	SSPL	METALICS	4220047	6	June 28, 2019

In addition, our Material Subsidiary, SSPL, has obtained registration of the "SEL 500 D EO-CR TMT" trademark in class 6 from the Registrar of Trademarks.

Copyrights

Our Company has also obtained a copyright registration of our name and our corporate logo, "SHYAM METALICS ORE TO METAL", with the Registrar of Copyright in India. In addition, our Material Subsidiary, SSPL, has obtained registration of the "*SEL*" copyright from the Registrar of Copyright.

I. *Material Pending Approvals*

Material Approvals which have expired and for which renewal applications have been made by our Company but are currently pending:

Sr. No.	Plant	Nature of Application	Date of Application
1	Sambalpur	Application for renewal of non-objection certificate for ground water usage for SMEL.	January 5, 2021
2	Sambalpur	Application under Odisha Fire Preventon and Fire Safety Rules, 2017	April 22, 2019

Material approvals which have not been applied for by the Company:

Sr. No.	Plant	Nature of Application
1.	Mangalpur	Application for obtaining hazardous waste authorization under the provisions of Hazardous Waste (Management, Handling & Transboundary Movement) Rules, 2008, from the West Bengal Pollution Control Board,

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

- Our Board has, pursuant to a resolution passed at its meeting held on February 12, 2021, authorized the Offer, subject to the approval of the Shareholders of our Company under Section 62(1)(c) of the Companies Act 2013.

- Our Shareholders have, pursuant to a special resolution passed at their meeting held on February 19, 2021, under Section 62(1)(c) of the Companies Act 2013, authorized the Offer.

- This Draft Red Herring Prospectus has been approved by the Board *vide* its resolution in its meeting held on February 18, 2021, and by the IPO Committee *vide* its resolution in its meeting held on February 25, 2021.

Approvals from the Selling Shareholders

Each of the Selling Shareholders have, severally and not jointly, approved the transfer of their respective Offered Shares pursuant to the Offer for Sale, as set out below:

S. No.	Name of the Selling Shareholder	Date of Consent Letter	Date of board resolution
1.	Subham Capital Private Limited	February 17, 2021	February 17, 2021
2.	Subham Buildwell Private Limited	February 17, 2021	February 17, 2021
3.	Kalpataru Housefin & Trading Private Limited	February 17, 2021	February 17, 2021
4.	Dorite Tracon Private Limited	February 17, 2021	February 17, 2021
5.	Narantak Dealcomm Limited	February 17, 2021	February 17, 2021
6.	Toplight Mercantiles Private Limited	February 17, 2021	February 17, 2021

In-principle Listing Approvals

- Our Company has received in-principle approval from BSE for the listing of our Equity Shares pursuant to a letter dated [●].

- Our Company has received in-principle approval from NSE for the listing of our Equity Shares pursuant to a letter dated [●].

Prohibition by SEBI and other Governmental Authorities

Neither our Company, nor our Promoters, members of our Promoter Group, our Directors, person(s) in control of our Company or the Selling Shareholders are prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Our Company, our Promoters, members of our Promoter Group and the Selling Shareholders are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended and to the extent applicable.

None of our Directors is in any manner associated with the securities market and there is no outstanding action against any of our Directors initiated by SEBI in the past five years preceding the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company confirms that it is not ineligible to make the Offer 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) Neither our Company nor our Promoters, members of our Promoter Group, our Directors or any of the Selling Shareholders is debarred from accessing the capital markets by SEBI;

(b) Neither our Promoters nor our Directors is a promoter or director of any other company which is debarred from accessing the capital markets by SEBI;

(c) Neither our Company nor our Promoters or our Directors is a Wilful Defaulter;

(d) Neither our Promoters nor any of our Directors is a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.;

(e) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

Each of the Selling Shareholders confirms that it is in compliance with Regulation 8 of the SEBI ICDR Regulations.

Our Company is eligible for the Offer in accordance with the Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

(a) 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 than 50 % are held in monetary assets;

(b) Our Company has an average operating profit of at least ₹ 150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;

(c) 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

(d) Our Company has not changed its name in the last one year.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, operating profits and net worth, derived from the Restated Financial Statements included in this Draft Red Herring Prospectus as at, and for the last three Fiscals 2020, 2019 and 2018 are set forth below:

(in ₹ million except as indicated)

Particulars	Fiscal 2020	Fiscal 2019	Fiscal 2018
Restated consolidated net tangible assets (1)	27,576.03	25,224.75	21,490.59
Restated consolidated monetary assets(2)	684.57	311.20	258.58
Monetary assets as a percentage of net tangible assets (%)	2.48	1.23	1.20
Restated consolidated pre-tax operating profit(3)	3,374.04	7,622.03	4,998.27
Net worth(4)	28,259.75	24,896.60	18,539.89

Notes:

(1) 'Net tangible assets' means the sum of all the assets of our Company excluding goodwill, intangible assets and right of use assets reduced by total liabilities excluding deferred tax liability (net) of the Company.

(2) 'Monetary assets' means cash and cash equivalents and bank balances other than cash and cash equivalents (excludes bank deposits with remaining maturity of more than twelve months and fixed deposits held as margin money).

(3) 'Pre-tax operating profit' is defined as the restated profit before interest and tax but after adjusting non-operating income and exceptional items.

(4) 'Net Worth' means the aggregate value of the paid-up share capital and all reserves created out of the profits (inclusive of net gain consequent to fair valuation of certain assets on transition to Ind AS) 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 audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

Our Company has operating profit in each of the Fiscals 2020, 2019 and 2018 as per the Restated Financial Statements. Our average restated consolidated pre-tax operating profit for Fiscals 2020, 2019 and 2018 is ₹ 5,331.45 million.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS 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 OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BRLMS, ICICI SECURITIES LIMITED, AXIS CAPITAL LIMITED, IIFL

SECURITIES LIMITED, JM FINANCIAL 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, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

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 BRLMS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 25, 2021, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, AS AMENDED OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLMS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

Disclaimer from our Company, our Directors, the Selling Shareholders and the BRLMs

Our Company, our Directors, the Selling Shareholders and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website, www.shyammetalics.com, or any website of any of the members of our Promoter Group, Subsidiaries, Group Companies or any affiliate of our Company, would be doing so at his or her own risk. Each Selling Shareholders and their respective directors, affiliates, associates and officers accept/undertake no responsibility for any statements made or undertakings provided other than those specifically undertaken or confirmed by such Selling Shareholders, and only in relation to itself and/or to the respective Offered Shares.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders (to the extent of themselves and their Offered Shares) and the BRLMs to the Bidders and public at large and no selective or additional information would be made 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.

Neither our Company nor the Selling Shareholders nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or noncompliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

The BRLMs and their respective associates may engage in transactions with, and perform services for our Company, the Selling Shareholders and their respective affiliates or associates 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 or the Selling Shareholders or their respective affiliates or associates for which they have received, and may in future receive compensation.

Bidders will be required to confirm, and will be deemed to have represented to our Company, the Selling Shareholders, the 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 applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders and the 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 Equity Shares.

Disclaimer in respect of jurisdiction

Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) at Mumbai, India only.

This Offer 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 authorized to invest in equity shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, venture capital funds, permitted insurance companies and pension funds, permitted non-residents including Eligible NRIs, AIFs, FPIs registered with SEBI and QIBs. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. 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 action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs or in the affairs of the Selling Shareholders from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India. **No person outside India is eligible to bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.**

Eligibility and Transfer Restrictions

The Equity Shares offered in the Offer 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 being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) 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. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs".

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.

Until the expiry of 40 days after the commencement of the Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in the Offer) may violate the registration requirements of the U.S. Securities Act if such an offer for sale is made otherwise than in compliance with the available exemptions from registration under the U.S. Securities Act.

Equity Shares Offered and Sold within the United States

Each purchaser that is acquiring the Equity Shares offered pursuant to the Offer within the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented to and agreed with our Company, the Selling Shareholders and the BRLMs that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Issue in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly, 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;

3. the purchaser (i) is a U.S. QIB, (ii) is aware that the sale to it is being made in a transaction exempt from or not subject to the registration requirements of the U.S. Securities Act, and (iii) is acquiring such Equity Shares for its own account or for the account of a U.S. QIB with respect to which it exercises sole investment discretion;

4. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

5. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A under the U.S. Securities Act or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act and (B) in accordance with all applicable laws, including the securities laws of the states of the United States. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them;

6. the Equity Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any such Equity Shares;

7. the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act;

8. the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any “directed selling efforts” as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;

9. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

   “THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**U.S. SECURITIES ACT**”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE U.S. SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

10. Our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

11. the purchaser acknowledges that our Company, the Selling Shareholders, the BRLMs and, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company and the BRLMs, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

All Other Equity Shares Offered and Sold in the Offer

Each purchaser that is acquiring the Equity Shares offered pursuant to the Offer outside the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares offered pursuant to the Offer, will be deemed to have acknowledged, represented and warranted to and agreed with our Company, the Selling Shareholders and the BRLMs that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to the Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly 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;

3. the purchaser is purchasing the Equity Shares offered pursuant to the Offer in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the U.S. Securities Act;

4. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to this Issue, was located outside the United States at the time (i) the offer for such Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;

5. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

6. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act and (B) in accordance with all applicable laws, including the securities laws of the States of the United States. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them;

7. agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;

8. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

   THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**U.S. SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

9. our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

10. the purchaser acknowledges that our Company, the Selling Shareholders, the BRLMs and their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company and the BRLMs, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

In relation to each European Economic Area State that has implemented the Prospectus Directive (Directive 2003/71/EC) and amendments thereto, including Directive 2010/73/EU and to the extent applicable, Prospectus Regulation (EU) 2017/1129 (each, a "**Relevant Member State**"), an offer to the public of any Equity Shares may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

a. to any legal entity which is a qualified investor as defined under the Prospectus Directive;

b. to fewer than 100 or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors), subject to obtaining the prior consent of the BRLMs; or

c. in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Equity Shares shall result in a requirement for our Company or any BRLM to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive and each person who receives any communication in respect of, or who acquires any Equity Shares under, the offers contemplated in this Draft Red Herring Prospectus will be deemed to have represented, warranted and agreed to with the BRLMs and our Company that it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any of the Equity Shares in any Relevant Member States means the communication in any form and by any means of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

In the case of any Equity Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the Equity Shares acquired by it in the offering have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Equity Shares to the public in a Relevant Member State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that relevant member state or, where appropriate, approved in another Relevant Member State and notified to the competent authority in the Relevant Member State, all in accordance with the Prospectus Directive, other than their offer or resale to qualified investors or in circumstances in which the prior consent of the BRLMs has been obtained to each such proposed offer or resale.

Our Company, the BRLMs and their affiliates, and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

This Draft Red Herring Prospectus is an advertisement and is not a prospectus for the purposes of EU Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU and to the extent applicable, Prospectus Regulation (EU) 2017/1129).

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer clause of BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to us shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Disclaimer clause of NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to NSE. The disclaimer clause as intimated by NSE to us shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Listing

Application has been made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares being offered and sold in the Offer and [●] is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of this Draft Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date. If our Company does not allot Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% *per annum* for the delayed period.

The Selling Shareholders undertakes to provide such reasonable support and extend reasonable cooperation as may be required and requested by our Company, to the extent such support and cooperation is required from such Selling Shareholder to facilitate the process of listing and commencement of trading of their respective portion of the Offered Shares on the Stock Exchanges within six working days from the Bid/Offer Closing Date.

Consents

Consents in writing of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, Indian legal counsel to our Company, International legal counsel to the BRLMs, Indian legal counsel to the BRLMs, the Bankers to our Company, CRISIL, Statutory Auditors and the Registrar to the Offer have been obtained; and the consents in writing of the Syndicate Members, Escrow Collection Banks, Public Offer Account Bank, Refund Bank, Sponsor Bank and Monitoring

Agency to act in their respective capacities, will be obtained. Further, such consents shall not be withdrawn up to the time of filing of the Red Herring Prospectus with RoC.

Expert opinion

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

Our Company has received written consent from our Statutory Auditors to include their name in this Draft Red Herring Prospectus as an "expert" as defined under Section 2(38) read with Section 26(5) of the Companies Act 2013 to the extent and in their capacity as the statutory auditor of our Company and in respect of their examination report on our Restated Financial Statements dated February 23, 2021 and in respect of the statement of special tax benefits dated February 24, 2021. The consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

Our Company has received written consent from Kalyan Bhattacharya, Independent Chartered Engineer, to include his name in this Draft Red Herring Prospectus as an "expert" as defined under Section 2(38) read with Section 26(5) of the Companies Act 2013 in respect of his certificate dated February 15, 2021. The consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

Particulars regarding public or rights issues undertaken by our Company during the last five years

There have been no public issues or rights issues undertaken by our Company during the five years immediately preceding the date of this Draft Red Herring Prospectus.

Commission or brokerage on previous issues during the last five years

Since this is the initial public offering of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

Capital Issues in the preceding three years

Except as disclosed in the section entitled "*Capital Structure*" on page 63, our Company has not made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus. None of our Subsidiaries or our Group Companies are listed on any stock exchange. Accordingly, none of our Subsidiaries or Group Companies have made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus.

Performance *vis-à-vis* objects - Public/ rights issue of our Company

Our Company has not undertaken any public, including any rights issues to the public in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Performance *vis- à-vis* objects: Public/ rights issue of the listed Subsidiaries and listed Promoters

None of our Subsidiaries or Promoters are listed on any stock exchange.

Price information of past issues handled by the BRLMs

I. ICICI Securities Limited

1. *Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by ICICI Securities Limited*

S. No.	Issue name	Issue size (*in ₹ million*)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % 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.	Rossari Biotech Limited	4,962.50	425.00	23-July-20	669.25	+87.25%,[+1.39%]	+86.59%,[+6.08%]	+100.79%,[+27.34%]
2.	Happiest Minds Technologies Limited	7,020.20	166.00	17-Sep-20	350.00	+96.05%,[+2.14%]	+93.25%,[+17.82%]	NA*
3.	Route Mobile Limited	6,000.00	350.00	21-Sep-20	717.00	+105.81%,[+5.74%]	+231.04%,[+22.31%]	NA*
4.	Computer Age Management Services Limited	22,421.05	1,230.00(1)	01-Oct-20	1,518.00	+5.52%,[+1.97%]	+49.25%,[+22.03%]	NA*

S. No.	Issue name	Issue size (*in ₹ million*)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % 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
5.	Angel Broking Limited	6,000.00	306.00	05-Oct-20	275.00	-2.32%,[+2.70%]	+10.02%,[+21.86%]	NA*
6.	UTI Asset Management Company Limited	21,598.84	554.00	12-Oct-20	500.00	-10.43%,[+5.87%]	-0.60%,[+20.25%]	NA*
7.	Mrs. Bectors Food Specialities Limited	5,405.40	288.00(2)	24-Dec-20	500.00	+37.69%,[+4.53%]	NA*	NA*
8.	Indian Railway Finance Corporation Limited	46,333.79	26.00	29-Jan-21	24.90	NA*	NA*	NA*
9.	Indigo Paints Limited	11,691.24	1,490.00(3)	02-Feb-21	2,607.50	NA*	NA*	NA*
10.	Home First Finance Company India Limited	11,537.19	518.00	03-Feb-21	618.80	NA*	NA*	NA*

**Data not available*

(1) Discount of Rs.122 per equity share offered to eligible employees All calculations are based on Issue Price of Rs. 1,230.00 per equity share
(2) Discount of Rs.15 per equity share offered to eligible employees All calculations are based on Issue Price of Rs. 288.00 per equity share.
(3) Discount of Rs. 148 per equity share offered to eligible employees All calculations are based on Issue Price of Rs. 1,490.00 per equity share.

Notes:
1. *All data sourced from www.nseindia.com, except for Computer Age Management Services Limited for which the data is sourced from www.bseindia.com*
2. *Benchmark index considered is NIFTY*
3. *30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the previous trading day*

2. *Summary statement of price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by ICICI Securities Limited*

Financial year	Total no. of IPOs	Total funds raised (*in ₹ million*)	Nos. of IPOs trading at discount – 30th calendar day from listing			Nos. of IPOs trading at premium – 30th calendar day from listing			Nos. of IPOs trading at discount – 180th calendar day from listing			Nos. of IPOs trading at premium – 180th calendar day 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%
2020-21*	10	1,42,970.21	-	-	2	3	1	1	-	-	-	1	-	-
2019-20	4	49,850.66	-	-	2	-	1	1	1	-	-	2	-	1
2018-19	4	60,843.16	-	-	2	1	-	1	-	-	2	-	1	1

** This data covers issues upto YTD*

II. Axis Capital Limited

1. *Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by Axis Capital Limited*

S. No.	Issue name	Issue size (*in ₹ million*)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % 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.	Home First Finance Company India Limited	11,537.19	518.00	03-Feb-21	618.80	-	-	-
2.	UTI Asset Management Company Limited	21,598.84	554.00	12-Oct-20	500.00	-10.43%, [+5.87%]	-0.60%, [+20.25%]	-
3.	Mazagon Dock Shipbuilders Limited	4,436.86	145.00	12-Oct-20	214.90	+18.90%, [+5.87%]	+52.90%, [+20.25%]	-
4.	Route Mobile Limited	6,000.00	350.00	21-Sep-20	717.00	+105.81%, [+5.74%]	+231.04%, [+22.31%]	-
5.	Rossari Biotech Limited	4,962.50	425.00	23-Jul-20	669.25	+87.25%, [+1.39%]	+86.59%, [+6.08%]	+100.79%, [+27.34%]
6.	SBI Cards and Payment Services Limited	103,407.88	755.00@	16-Mar-20	661.00	-33.05%, [-2.21%]	-21.79%, [+8.43%]	+12.50%, [+24.65%]
7.	CSB Bank Limited	4,096.77	195.00	04-Dec-19	275.00	+8.36%, [+2.03%]	-12.18%, [-7.51%]	-36.95%, [-20.41%]
8.	Sterling And Wilson Solar Limited	28,809.42	780.00	20-Aug-19	706.00	-21.88%, [-1.60%]	-48.63%, [+7.97%]	-64.78%, [+9.95%]
9.	Spandana Sphoorty Financial Limited	12,009.36	856.00	19-Aug-19	825.00	-0.56%, [-2.14%]	+52.76%, [+7.61%]	+17.32%, [+9.59%]
10.	Polycab India Limited	13,452.60	538.00^	16-Apr-19	633.00	+15.36%, [-5.35%]	+14.70%, [-1.99%]	+23.76%, [-4.09%]

Source: www.nseindia.com
@ Offer Price was ₹ 680.00 per equity share to Eligible Employees
^Offer Price was ₹ 485.00 per equity share to Eligible Employees

Notes:
a. Issue Size derived from Prospectus/final post issue reports, as available.

b. The CNX NIFTY is considered as the Benchmark Index.
c. Price on NSE is considered for all of the above calculations.
d. In case 30th/90th/180th day is not a trading day, closing price on NSE of the previous trading day has been considered.
e. Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

2. Summary statement of price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by Axis Capital Limited

Financial year	Total no. of IPOs	Total funds raised (*in ₹ million*)	Nos. of IPOs trading at discount – 30th calendar day from listing			Nos. of IPOs trading at premium – 30th calendar day from listing			Nos. of IPOs trading at discount – 180th calendar day from listing			Nos. of IPOs trading at premium – 180th calendar day 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%
2020-21*	5	48,535.39	-	-	1	2	-	1	-	-	-	1	-	-
2019-20	5	161,776.03	-	1	2	-	-	2	1	1	-	-	-	3
2018-19	4	54,206.94	-	1	-	1	-	2	-	-	2	-	-	2

** The information is as on the date of the document*
The information for each of the financial years is based on issues listed during such financial year.

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

III. IIFL Securities Limited

1. Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by IIFL Securities Limited

S. No.	Issue name	Issue size (*in ₹ million*)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % 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.	HDFC Asset Management Company Limited	28,003.31	1,100.00	August 6, 2018	1,726.25	+58.04%,[+1.17%]	+30.61%,[-7.32%]	+23.78%,[-4.33%]
2.	Credit Access Grameen Limited	11,311.88	422.00	August 23, 2018	390.00	-21.16%,[-3.80%]	-14.91%,[-8.00%]	-5.71%,[-8.13%]
3.	Polycab India Limited	13,452.60	538.00	April 16, 2019	633.00	+15.36% [-5.35%]	+14.70% [-1.99%]	+23.76% [-4.09%]
4.	Spandana Sphoorty Financial Ltd	12,009.36	856.00	August 19, 2019	825.00	-0.56% [-2.14%]	+52.76% [+7.61%]	+17.32%[+9.59%]
5.	Sterling and Wilson Solar Ltd	28,809.42	780.00	August 20, 2019	706.00	-21.88%,[-1.60%]	-48.63%,[+7.97%]	-64.78%,[+9.95%]
6.	CSB Bank Ltd	4,096.77	195.00	December 4, 2019	275.00	+8.36%, [+1.98%]	-12.18%, [-7.56%]	-36.95%, [-20.45%]
7.	Ujjivan Small Finance Bank Limited	7,459.46	37.00	December 12, 2019	58.75	+41.08%, [+2.38%]	+10.27% ,[-12.70%]	-16.62%, [-15.07%]
8.	Equitas Small Finance Bank Ltd	5,176.00	33.00	November 2, 2020	31.10	+5.45%, [+12.34%]	+19.55%, [16.84%]	N.A.
9.	Mrs. Bectors Food Specialities Ltd	5,405.40	288.00	December 24, 2020	500.00	+37.69%, [+4.53%]	N.A.	N.A.
10.	Antony Waste Handling Cell Limited	2,999.85	315.00	January 1, 2021	436.10	-10.27%, [-2.74%]	N.A.	N.A.

Source: www.nseindia.com

Note: Benchmark Index taken as CNX NIFTY. Price on NSE is considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th /90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. The Nifty 50 index is considered as the benchmark index. NA means Not Applicable.

2. Summary statement of price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by IIFL Securities Limited

Financial year	Total no. of IPOs	Total funds raised (*in ₹ million*)	Nos. of IPOs trading at discount – 30th calendar day from listing			Nos. of IPOs trading at premium – 30th calendar day from listing			Nos. of IPOs trading at discount – 180th calendar day from listing			Nos. of IPOs trading at premium – 180th calendar day 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%
2020-2021*	4	94,013.29	-	1	1	1	-	1	-	1	2	-	-	1
2019-2020	5	65,827.61	-	-	2	-	1	2	1	1	1	-	-	2
2018-2019	3	13,581.25	-	-	1	-	1	1	-	-	-	-	-	-

Source: www.nseindia.com

Note: Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered. NA means Not Applicable.
NA means Not Applicable.

IV. JM Financial Limited

1. Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by JM Financial Limited

S. No.	Issue name	Issue size (*in ₹ million*)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % 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.	Stove Kraft Limited	4,126.25	385.00	February 05, 2021	498.00	Not Applicable	Not Applicable	Not Applicable
2.	Burger King India Limited	8,100.00	60.00	December 14, 2020	112.50	146.50% [7.41%]	Not Applicable	Not Applicable
3.	Equitas Small Finance Bank Limited	5,176.00	33.00	November 02, 2020	31.10	5.45% [12.34%]	19.55% [16.84%]	Not Applicable
4.	UTI Asset Management Company Limited	21,598.84	554.00	October 12, 2020	500.00	-10.43% [5.87%]	-0.60% [20.25%]	Not Applicable
5.	Mazgaon Dock Shipbuilders Limited	4,436.86	145.00	October 12, 2020	214.90	18.90% [5.87%]	52.90% [20.25%]	Not Applicable
6.	Prince Pipes and Fittings Limited	5,000.00	178.00	December 30, 2019	160.00	+0.14% [-1.63%]	-44.33% [-29.34%]	-35.00% [-15.28%]
7.	Ujjivan Small Finance Bank Limited[7]	7,459.46	37.00	December 12, 2019	58.75	+41.08% [+2.38%]	+10.27% [-12.70%]	-16.62% [-15.07%]
8.	Spandana Sphoorty Financial Limited	12,009.36	856.00	August 19, 2019	825.00	-0.56% [-2.14%]	+52.76% [+7.61%]	+17.32%[+9.59%]
9.	Metropolis Healthcare Limited	12,042.88	880.00	April 15, 2019	958.00	+3.75% [-4.01%]	+21.39% [-1.18%]	+45.93% [-3.30%]
10.	Chalet Hotels Limited	16,411.80	280.00	February 7, 2019	294.00	+1.14% [-0.31%]	+24.41% [+3.87%]	+10.77% [-1.87%]

Source: www.nseindia.com for price information and prospectus/basis of allotment for issue details
Notes:
1. *Opening price information as disclosed on the website of NSE.*
2. *Change in closing price over the issue/offer price as disclosed on NSE.*
3. *Change in closing price over the closing price as on the listing date for benchmark index viz. NIFTY 50.*
4. *In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.*
5. *30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken a listing date plus 179 calendar days.*
6. *Restricted to last 10 issues.*
7. *A discount of Rs. 2 per Equity Share was offered to Eligible Ujjivan Financial Services Limited Shareholders bidding in Ujjivan Financial Services Limited Shareholders Reservation Portion*
8. *Not Applicable – Period not completed*

2. Summary statement of price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by JM Financial Limited

Financial year	Total no. of IPOs	Total funds raised (*in ₹ million*)	Nos. of IPOs trading at discount – 30th calendar day from listing			Nos. of IPOs trading at premium – 30th calendar day from listing			Nos. of IPOs trading at discount – 180th calendar day from listing			Nos. of IPOs trading at premium – 180th calendar day 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%
2020-21*	5	43,437.95	-	-	1	1	-	2	-	-	-	-	-	-
2019-20	4	36,400.83**	-	-	1	-	1	2	-	1	1	-	1	1
2018-19	4	68,856.80	-	-	1	1	-	2	-	1	-	1	-	2

***Spandana Sphoorty Financial Limited raised Rs. 11,898.49 million as against the issue size of Rs. 12,009.36 million*

V. SBI Capital Markets Limited

1. Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by SBI Capital Markets Limited

S. No.	Issue name	Issue size (*in ₹ million*)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % 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.	Indian Railway Finance Corporation Ltd	46,333.79	26.00	January 29, 2021	24.90	NA	NA	NA
2.	Mrs. Bectors Food Specialities Limited[1]	5,405.40	288.00	December 24,2020	500.00	37.69% [+4.53%]	NA	NA
3.	UTI Asset Management Company Ltd	21,598.84	554.00	October 12, 2020	500.00	-10.43% [+5.87%]	-0.60% [+20.25%]	NA
4.	Angel Broking Limited	6,000.00	306.00	October 05, 2020	275.00	-2.32% [+2.70%]	10.01% [+21.86%]	NA
5.	SBI Cards & Payment Services Ltd.[2]	1,03,407.88	755.00	March 16, 2020	661.00	-33.05% [-2.21%]	-21.79% [+8.43%]	12.50% [+24.65]

S. No.	Issue name	Issue size (*in ₹ million*)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % 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
6.	Indian Railway Catering and Tourism Corporation Ltd [3]	6,379.60	320.00	October 14, 2019	626.00	191.53% [+5.05%]	186.64% [+8.07%]	291.84% [-19.66%]
7.	Sterling and Wilson Solar Limited	28,496.38	780.00	August 20, 2019	706.00	-21.88% [-1.60%]	-48.63% [+7.97%]	-64.78% [+9.95%]
8.	Ircon International Limited [4]	4,667.03	475.00	September 28, 2018	412.00	-27.04% [+8.24%]	-6.60% [-1.84%]	-15.71% [+5.06%]
9.	RITES Limited [5]	4,604.40	185.00	July 02, 2018	190.00	34.97% [+6.56%]	33.03% [+2.56%]	49.70% [+1.90%]
10.	ICICI Securities Ltd	35,148.49	520.00	April 04, 2018	435.00	-27.93% [+5.44%]	-37.26% [+5.22%]	-44.39% [+7.92%]

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 is a 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 273.00 per equity share*
2. *Price for eligible employees was Rs. 680.00 per equity share*
3. *Price for retail individual bidders bidding in the retail portion and to eligible employees was Rs. 310.00 per equity share*
4. *Price for retail individual bidders bidding in the retail portion and to eligible employees was Rs. 465.00 per equity share*
5. *Price for retail individual bidders bidding in the retail portion and to eligible employees was Rs. 179.00 per equity share*

2. *Summary statement of price information of past issues (during the 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 funds raised (*in ₹ million*)	Nos. of IPOs trading at discount – 30th calendar day from listing			Nos. of IPOs trading at premium – 30th calendar day from listing			Nos. of IPOs trading at discount – 180th calendar day from listing			Nos. of IPOs trading at premium – 180th calendar day 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%
2020-21*	4	79,338.03	-	-	2	-	1	-	-	-	-	-	-	-
2019-20	3	138,283.86	-	1	1	1	-	-	1	-	-	1	-	1
2018-19	4	48,748.88	-	1	1	1	1	-	-	1	-	-	2	1

** The information is as on the date of this Draft Red Herring Prospectus.*

 # 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 further information regarding the track record of the BRLMs, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the BRLMs mentioned below:

BRLM	Website
ICICI Securities Limited	www.icicisecurities.com
Axis Capital Limited	www.axiscapital.co.in
IIFL Securities Limited	www.iiflcap.com
JM Financial Limited	www.jmfl.com
SBI Capital Markets Limited	www.sbicaps.com/index.php/track-record-of-public-issue/

Stock market data of the Equity Shares

As the Offer is the initial public offering of the Equity Shares, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a minimum period of eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer 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 orders or non-receipt of funds by electronic mode, etc. For all Offer

related queries and for redressal of complain ts, Bidders may also write to the BRLMs or the Registrar to the Offer, in the manner provided below.

All grievances, other than by Anchor Investors, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary, where the Bid cum Application Form was submitted, quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number (for Bidders other than RIBs bidding through the UPI mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of RIBs applying through the UPI mechanism in which the amount equivalent to the Bid Amount is blocked. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders DP' ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor.

The Company shall obtain authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, 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.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus. There are no investor complaint in relation to our Company pending as on the date of this Draft Red Herring Prospectus. Our Subsidiaries and Group Companies are not listed on any stock exchange.

Our Company, the Selling Shareholders, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of investor grievances by our Company

Our Company estimate that the average time required by our Company and/or the Registrar to the Offer for the redressal of routine investor grievances shall be 10 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 appointed B.K. Jain, our Company Secretary, as our Compliance Officer. For details, please see the section entitled "*General Information"* on page 56.

Further, our Board has constituted the Stakeholders Relationship Committee which is responsible for redressal of grievances of the security holders of our Company. For further information, please see the section entitled "*Management - Stakeholders Relationship Committee*" on page 186.

Disposal of investor grievances by listed Group Companies and Subsidiaries

As on the date of this Draft Red Herring Prospectus, our Subsidiaries and Group Companies are not listed on any stock exchange, and therefore there are no investor complaints pending against them.

SECTION IX: OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued pursuant to the Offer are subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, the MoA, the AoA, the SEBI Listing Regulations, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, the Bid cum Application Form, the Revision Form, the Abridged Prospectus and other terms and conditions as may be incorporated in the confirmation of allocation notes (for Anchor Investors), Allotment Advice and other documents and certificates that may be executed in respect of the Offer. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and offer for sale and listing and trading of securities, issued from time to time, by SEBI, Government of India, Stock Exchanges, the RoC, the RBI and/or other authorities to the extent applicable or such other conditions as may be prescribed by such governmental and/or regulatory authority while granting approval for the Offer.

Ranking of the Equity Shares

The Equity Shares being offered and allotted in the Offer will be subject to the provisions of the Companies Act, SEBI Listing Regulations, the Memorandum of Association and the Articles of Association and will rank *pari passu* with the existing Equity Shares, including in respect of dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further information, please see the sections entitled "*Dividend Policy*" and "*Main Provisions of Articles of Association*" on pages 209 and 372, respectively.

Mode of Payment of Dividend

Our Company will pay dividend, if declared, to our equity shareholders, as per the provisions of the Companies Act, 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, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Offer, including pursuant to the Offer for Sale, for the entire year, in accordance with applicable law. For further information, please see the section entitled "*Dividend Policy*" and "*Main Provisions of Articles of Association*" on pages 209 and 372, respectively.

Face Value and Price Band

The face value of each Equity Share is ₹ 10. The Floor Price of the Equity Shares is ₹ [●] and the Cap Price of the Equity Shares is ₹ [●]. The Anchor Investor Offer Price is ₹ [●]. At any given point in time there will be only one denomination for the Equity Shares.

The Price Band, the Minimum Bid Lot and the Employee Discount will be decided by our Company and the Selling Shareholders in consultation with the BRLMs and published at least two Working Days prior to the Bid/Offer Opening Date, in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Bengali regional daily newspaper, Bengali being the regional language in Kolkata where our Registered Office is located), 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 website of the Stock Exchanges.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable law and our Articles of Association, the equity Shareholders will have the following rights:

- Right to receive dividends, if declared.
- Right to attend general meetings and exercise voting powers, 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.
- 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 foreign exchange regulations and other applicable law.

- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association.

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, please see the section entitled "*Main Provisions of Articles of Association*" on page 372.

Market Lot and Trading Lot

Since trading of our Equity Shares is in dematerialized form, the tradable lot is one Equity Share. Allotment in the Offer will be only in dematerialized form in multiples of one Equity Share, subject to a minimum allotment of [●] Equity Shares. For the method of Basis of Allotment, please see the section entitled "*Offer Procedure*" on page 355.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-tenants with benefits of survivorship.

Nomination Facility to the Bidder

In accordance with Section 72 of the Companies Act 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole or First Bidder, with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, will vest. A nominee entitled to the Equity Shares by reason of the death of the original holder(s), will, in accordance with Section 72 of the Companies Act 2013 be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the Equity Shares. 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 Equity Share(s) in the event of the holder's death during minority. 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 or variation to our Company in the prescribed form.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act 2013 will, on the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as holder of 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 of Equity Shares in the Offer will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participant.

Withdrawal of the Offer

Our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right to not proceed with the Offer and each Selling Shareholder, severally and not jointly, reserves the right not to proceed with the Offer for Sale, at any time after the Bid/Offer Opening Date but before Allotment. If our Company and the Selling Shareholders withdraw the Offer, our Company will issue a public notice within two days from the Bid/Offer Closing Date or such time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, will instruct the SCSBs and Sponsor Bank, as applicable, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company and the Selling Shareholders, in consultation with the BRLMs, withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a public offering of Equity Shares, a fresh draft red herring prospectus will be filed and/or submitted with SEBI and the Stock Exchanges.

Notwithstanding the foregoing, the Offer is also subject to the filing of the Prospectus with the RoC and obtaining the final listing and trading approvals of the Stock Exchanges, which our Company will apply for only after Allotment and within six Working Days of the Bid/Offer Closing Date or such other period as per applicable law.

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 / Offer Period (except on the Bid / Offer Closing Date) at the Bidding Centres as mentioned on the Bid cum Application Form except that:

(i) on the QIB Bid / Offer Closing Date, in case of Bids by QIBs under the Net 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);

(ii) on the Bid / Offer 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.

On the Bid/Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Bidders and Eligible Employees Bidding under the Employee Reservation Portion after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and reported by the BRLMs to the Stock Exchanges.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and in any case no later than 3:00 p.m. IST on the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids will be accepted only during Working Days.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by the SCSBs would be rejected.

Our Company, the Selling Shareholders and the members of Syndicate will not be responsible for any failure in: (i) uploading Bids due to faults in any hardware/software 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-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism. Bids will be accepted only on Working Days. Investors may please note that as per letters dated July 3, 2006 and July 6, 2006, issued by BSE and NSE respectively, Bids and any revisions in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges.

Our Company and the Selling Shareholders in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Offer Period, in accordance with the SEBI ICDR Regulations, provided that the Cap Price will be less than or equal to 120% of the Floor Price and the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bid/Offer Period will be extended for at least three additional Working Days after revision of Price Band subject to the Bid/Offer 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 / Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges by issuing a press release and by indicating the change on the websites of the BRLMs and terminals of the Syndicate Members and intimated to the Designated Intermediaries. However, in case of revision in the Price Band, the Bid Lot shall remain the same.

In case of any discrepancy in the data entered in the electronic book *vis-à-vis* 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.

Bid/Offer Period

BID/OFFER OPENS ON*	[●]
BID/OFFER CLOSES ON**	
FINALIZATION OF BASIS OF ALLOTMENT	[●]
INITIATION OF REFUNDS FOR ANCHOR INVESTORS/UNBLOCKING OF FUNDS FROM ASBA ACCOUNTS***	[●]
CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS	[●]
COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGES	[●]

** Our Company and the Selling Shareholders, in consultation with the BRLMs may consider participation by Anchor Investors. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.*
*** Our Company and the Selling Shareholders, may in consultation with the BRLMs, decide to close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*
****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/Offer 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/Offer 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 further details, please see the section entitled "Other Regulatory and Statutory Dislcosures" on page 333.*

This timetable is indicative in nature and does not constitute any obligation or liability on our Company, the Selling Shareholders or the members of the Syndicate.

While our Company and the Selling Shareholders will use best efforts to ensure that listing and trading of our Equity Shares on the Stock Exchanges commences within six Working Days of the Bid/Offer Closing Date, the timetable may be subject to change for various reasons, including extension of Bid/Offer period by our Company and the Selling Shareholders due to revision of the Price Band, any delays in receipt of final listing and trading approvals from the Stock Exchanges, delay in receipt of final certificates from SCSBs, etc. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges in accordance with applicable law. Bids other than Bids from Anchor Investors for non-ASBA are liable to be rejected.

Each Selling Shareholder confirms that it shall extend complete cooperation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid / Offer Closing Date, or within such other period as may be prescribed.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above mentioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Fresh Issue, including through the devolvement to the Underwriters, as applicable, on the date of closure of the issue; or 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 so offered under the Draft Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received within the timelines prescribed under applicable laws, failing which, the Directors of our Company who are officers in default shall jointly and severally be liable to repay that money with interest at the rate of 15% *per annum*. This is further subject to the compliance with Rule 19(2)(b) of the SCRR.

Further in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company will ensure that the number of Bidders to whom the Equity Shares are Allotted in the Offer will be not less than 1,000.

In the event of under subscription in the Offer, the Equity Shares will be Allotted in the following order:

(i) such number of Equity Shares will first be Allotted by the Company such that 90% of the Fresh Issue portion is subscribed;

(ii) next, the Offered Shares will be Allotted, in proportion to the number of Equity Shares offered by each Selling Shareholder, in a pro-rata manner; and

(iii) once Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares will be Allotted by the Company that the balance 10% of the Fresh Issue portion is also subscribed.

Arrangement for Disposal of Odd Lots

Since our Equity Shares will be traded in dematerialized 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 of Shares

Except for lock-in of pre-Offer equity shareholding, minimum Promoters' Contribution and Anchor Investor lock-in the Offer, as detailed in the section entitled *"Capital Structure"* on page 63 and as provided in our Articles of Association as detailed in "*Main Provisions of Articles of Association*" on page 372, there are no restrictions on transfers and transmission of shares and on their consolidation/splitting.

Allotment of Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form (i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). 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.

In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated June 14, 2018 amongst NSDL, our Company and the Registrar to the Offer.

- Agreement dated July 16, 2018 amongst CDSL, our Company and Registrar to the Offer.

OFFER STRUCTURE

The Offer is up to [●] Equity Shares, for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ 11,070.00 million, comprising a Fresh Issue of [●] Equity Shares, aggregating up to ₹ 6,570.00 million by our Company and an Offer for Sale of up to [●] Equity Shares, aggregating up to ₹ 4,500.00 million by the Selling Shareholders.

The Offer includes a reservation of up to 300,000 Equity Shares aggregating to ₹ [●] million for subscription by Eligible Employees. The Offer and the Net Offer shall constitute [●]% and [●]% respectively, of the post-offer paid-up Equity Share capital of our Company.

The face value of the Equity Shares is ₹ 10 each.

In terms of Rule 19(2) (b) of the SCRR, the Offer is being made through the Book Building Process, in compliance with Regulation 31 of the SEBI ICDR Regulations.

Particulars	Eligible Employees#	QIBs(1)	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for Allotment/allocation(2)	Up to 300,000 Equity Shares	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and RIBs	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Investors
Percentage of Offer size available for Allotment/allocation	The Employee Reservation Portion shall constitute up to [●]% of the post-Offer paid-up Equity Share capital of our Company	Not more than 50% of the Offer size shall be available for allocation to QIBs. However 5% of the QIB Category (excluding the Anchor Investor Portion) shall 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 remaining balance QIB category (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion, if any, will be available for allocation to other QIBs	Not less than 15% of the Offer or the Offer less allocation to QIB Bidders and Retail Individual Investors	Not less than 35% of the Offer or the Offer less allocation to QIB Bidders and Non-Institutional Investors
Basis of Allotment if respective category is oversubscribed(3)	Proportionate; unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹ 200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be Allotted, on a proportionate basis, to Eligible Employees for value exceeding ₹200,000, subject to total Allotment to an Eligible Employee not exceeding ₹ 500,000.00 each	Proportionate as follows (excluding the Anchor Investor Portion): (a) up to [●] Equity Shares shall be allocated 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. Up to 60% of the QIB Portion (of up to [●] Equity Shares) may be allocated on a	Proportionate	Proportionate subject to minimum Bid Lot. For details, please see the section entitled "*Offer Procedure*" beginning on page 355

Particulars	Eligible Employees#	QIBs(1)	Non-Institutional Investors	Retail Individual Investors
		discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price		
Mode of Bidding	Through ASBA process only (except for Anchor Investors)			
Minimum Bid	[●] Equity Shares 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	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 so that the Bid Amount by each Eligible Employee in this portion does not does not exceed ₹ 500,000.00, less Employee Discount, if any.	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size Offer subject to applicable limits to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer, excluding QIB portion, subject to applicable limits to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount does not exceed ₹ 200,000.
Mode of Allotment	Compulsorily in dematerialized form			
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter			[●] Equity Shares and in multiples of one Equity Share thereafter subject to availability in the Retail Category
Trading Lot	One Equity Share			
Who can Apply (4)	Eligible Employees (such that the Bid Amount does not exceed ₹ 500,000.00)	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual fund registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, state industrial development corporation, insurance companies registered with IRDAI, provident fund (subject to applicable law) with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, in accordance with applicable law and National Investment Fund set up by the Government of India, 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	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, FPIs who are individuals, corporate bodies and family offices which are classified as Category II FPIs and registered with SEBI such that the Bid Amount exceeds ₹ 200,000 in value.	Resident Indian Individuals, Eligible NRIs, HUF (in the name of *Karta*) applying for Equity Shares such that the Bid Amount does not exceed ₹ 2,00,000 in value.

Particulars	Eligible Employees#	QIBs[1]	Non-Institutional Investors	Retail Individual Investors
		Department of Posts, India and Systemically Important NBFC		
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 **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			

(1) *Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100 million, (ii) 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 under the Anchor Investor Portion, subject to a minimum Allotment of ₹ 50 million per Anchor Investor, and (iii) 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 or part thereof will be permitted, subject to minimum allotment of ₹ 50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100 million. 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. For further information, please see the section entitled "Offer Procedure" on page 355.*

(2) *Subject to valid Bids being received at or above the Offer Price. The Offer is being made in accordance with Rule 19(2)(b) of the SCRR and under Regulation 6(1) of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company and the Selling Shareholders, in consultation with the BRLMs, may allocate up to 60% of the QIB Category 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, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Category. 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 QIB Bidders including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Category (excluding the Anchor Investor Portion), the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining the QIB Category (excluding the Anchor Investor Portion) for proportionate allocation to QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.*

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Category or the Retail Category would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange in accordance with applicable law. However, under-subscription, if any, in the QIB Category will not be allowed to be met with spill-over from other categories or a combination of categories. In terms of Rule 19(2)(b) of the SCRR, the Equity Shares issued in this Offer shall aggregate to at least such percentage of the post-Offer Equity Share capital of our Company (calculated at Offer Price) that will be at least ₹ [●] million. In case of an under subscription in the Offer, after meeting the minimum subscription requirement of 90% of the Fresh Issue, the balance subscription in the Offer will be first met through the Equity Shares offered pursuant to the Offer for Sale on a pro-rata basis in a manner proportionate to the respective portion of the Offered Shares of each Selling Shareholder and subsequently, the balance part of the Fresh Issue.

(3) *Assuming full subscription in the Offer.*

(4) *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. 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.*

(5) *In case the Anchor Investor Allocation Price is lower than the Offer Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Offer Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them. For further information on terms of payment applicable to Anchor Investors, please see the section entitled "Offer Procedure – Payment into Anchor Escrow Account" on page 367.*

Eligible Employees Bidding in the Employee Reservation portion can Bid up to a Bid Amount of ₹ 500,000.00. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹ 200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 200,000. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.

Bidders will confirm and will be deemed to have represented to our Company, the Selling Shareholders, 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 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, the Company, the Selling Shareholders, 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 Equity Shares.*

Employee Discount

Employee Discount, if any, will be offered to Eligible Employees bidding in the Employee Reservation Portion. Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount net of Employee Discount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, if any, at the time of making a Bid.

The Bids by FPIs with certain structures as described under the section entitled "*Offer Procedure*" on page 355 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categorises at the discretion of our Company, in consultation with the Managers and the Designated Stock Exchange, on a proportionate basis.

OFFER PROCEDURE

*All Bidders should read 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 SEBI UPI Circulars (the "**General Information Document**") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013, 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 Offer.*

*Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (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 Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of 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 its circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 as amended from time to time, including pursuant to circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days ("**UPI Phase I**"), until June 30, 2019. Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors ("**UPI Phase III**"), as may be prescribed by SEBI. Accordingly, the Offer has been considered to be made under UPI Phase II, till any further notice issued by SEBI.*

Our Company, the respective Selling Shareholders and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section 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 and the Red Herring Prospects. 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 the Red Herring Prospectus and this Prospectus.

Further, our Company, the Selling Shareholders and the members of the Syndicate do not accept any responsibility for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Offer.

Book Building Procedure

The Offer 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 Net Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and the Selling Shareholders 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, of which one-third 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-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion 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 Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Furthermore, up to 300,000 Equity Shares shall be made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price, net of Employee Discount, if any.

Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs, and the Designated Stock Exchange. 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. In the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000 (net of Employee Discount), subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000 (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion shall be added to the Net Offer.

In accordance with Rule 19(2)(b) of the SCRR, the Net Offer will constitute at least [●]% of the post Offer paid-up Equity Share capital of our Company. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors 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, PAN and UPI ID, as applicable, 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 SEBI UPI Circulars in relation to streamlining the process of public issue of inter alia equity shares. Pursuant to the SEBI 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 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 SEBI 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 and the continuation of this phase has been extended until March 31, 2020. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. Further, pursuant to SEBI circular dated March 30, 2020, this phase has been extended till further notice.

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.

All SCSBs offering the facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/or payment instructions of the Retail Individual Investors using the UPI.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Electronic registration of Bids

(a) The Designated Intermediary may register the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Offer.

(b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchanges' Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com) at least one day prior to the Bid/Offer Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIBs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase II of the SEBI UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIBs (other than the RIBs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) RIBs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(iii) QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

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.

Anchor Investors are not permitted to participate in the Offer through the ASBA process. For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLMs.

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 Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis^	[●]
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis^	[●]
Anchor Investors**	[●]
Eligible Employees bidding in the Employee Reservation Portion#	[●]

** Excluding electronic Bid cum Application Forms*
***Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLMs.*
^ Electronic Bid cum Application forms will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com)
#Bid cum Application Forms for Eligible Employees shall be available at the Registered Office of the Company

The relevant Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges. For RIBs using the 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.

In case of ASBA forms, the relevant Designated Intermediaries shall capture and 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.

For RIBs Bidding using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration 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. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date ("**Cut-Off Time**"). Accordingly, RIBs Bidding using through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

For ASBA Forms (other than RIBs Bidding using UPI Mechanism) 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.

The Equity Shares offered in the Offer 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 (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) 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 occur. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs".

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. Participation by the BRLMs, the Syndicate Members and their associates and affiliates

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their respective underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including 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 BRLMs nor any persons related to the BRLMs can apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the BRLMs;

(ii) insurance companies promoted by entities which are associate of the BRLMs;

(iii) AIFs sponsored by the entities which are associate of the BRLMs;

(iv) FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the BRLMs; or

(v) Person related to Promoter and the members of the Promoter Group.

Further, an Anchor Investor shall be deemed to be an "associate of the BRLM" if:

(i) 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

(ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or

(iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

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 and the Selling Shareholders reserves the right to reject any Bid without assigning any reason thereof. 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 can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

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 schemes. No Mutual Fund under all its schemes should own more than 10% of our Company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident forms should authorise their SCSB to block their Non-Resident External ("**NRE**") accounts (including UPI ID, if activated), or Foreign Currency Non- Resident ("**FCNR**") accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using resident forms should authorise their SCSB 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.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules. Only bids accompanied by payment in Indian rupees or fully convertible foreign exchange will be considered for allotment.

For details of restrictions on investment by NRIs, please see the section entitled "*Restrictions on Foreign Ownership of Indian Securities*" on page 371.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder 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: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs may be considered at par with Bids from individuals.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI including its investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our total paid-up Equity Share capital on a fully diluted basis.

If the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., 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. While the aggregate limit as provided above could have been decreased by the Indian company concerned to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020, our Company has not decreased such limit.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

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 ("**MIM**") 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 confirmation from the relevant FPIs, such multiple Bids shall be rejected.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions:

(a) each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the Offer shall be subject to the FEMA Rules, amended from time to time.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations, inter alia, prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds 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. Pursuant to the repeal of the SEBI VCF Regulations, 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 fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. Our Company, the Selling Shareholders, and the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency. Participation of VCFs, AIFs or FVCIs in the Offer shall be subject to the FEMA Rules, amended from time to time.

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.

Our Company, the Selling Shareholder or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by Eligible Employees

Bids under Employee Reservation Portion by Eligible Employees shall be:

(i) Made only in the prescribed Bid cum Application Form or Revision Form.

(ii) The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 500,000.00. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid amounting up to ₹ 200,000.00 (which will be less Employee Discount, if any). In the event of any under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees, who have bid in excess of ₹ 200,000.00 million, provided however that the maximum Bid in this category by an Eligible Employee cannot exceed ₹ 500,000.00 (which will be less Employee Discount, if any).

(iii) The Bidder should be an Eligible Employee as defined above in the DRHP in order to be eligible to apply in this Offer under the Employee Reservation Portion. In case of joint bids, the first Bidder shall be an Eligible Employee.

(iv) Only those Bids, which are received at or above the Offer Price, net of Employee Discount, if any, would be considered for Allotment under this category.

(v) Eligible Employees can apply at Cut-off Price.

(vi) Eligible Employees shall not Bid through the UPI mechanism.

(vii) Bid by Eligible Employees can be made also in the "Net Offer to the Public" and such Bids shall not be treated as multiple Bids.

(viii) If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

(ix) Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer.

(x) In case of under-subscription in the Net Offer, spill over to the extent of under-subscription shall be permitted from the Employee Reservation Portion subject to the Net Offer constituting 10% of the post-Offer share capital of our Company. If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis.

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 and the Selling Shareholders in consultation with the BRLMs reserve 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 the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. 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 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 and the Selling Shareholders, in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (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. Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by provident funds/pension funds with minimum corpus of ₹ 250 million, subject to applicable law, a certified copy of a 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 and the Selling Shareholders, in consultation with the BRLMs reserve the right to reject any Bid, without assigning any reason thereof.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

The information set out above is given for the benefit of the Bidders. Our Company, the Selling Shareholders, and the BRLMs are not liable for any amendments or modification or changes to 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 any single 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 law or regulations, or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

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, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250.00 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250.00 million, 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 must be lodged along with the Bid cum Application Form. Failing this, our Company and the reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason hereof.

Our Company and Selling Shareholders in consultation with the BRLMs, in their absolute discretion, reserve 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 and Selling Shareholders in consultation with the BRLMs, may deem fit.

Bids by Anchor Investors

(a) 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. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

(b) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100.00 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 ₹ 100.00 million.

(c) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(d) Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date, and will be completed on the same day.

(e) Our Company and the Selling Shareholders, 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:

(i) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100.00 million;

(ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100.00 million but up to ₹ 2,500.00 million, subject to a minimum Allotment of ₹ 50.00 million per Anchor Investor; and

(iii) in case of allocation above ₹ 2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500.00 million, and an additional 10 Anchor Investors for every additional ₹ 2,500.00 million, subject to minimum Allotment of ₹ 50.00 million per Anchor Investor.

(f) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/Offer Period. 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/Offer Opening Date, through intimation to the Stock Exchanges.

(g) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor Pay-In Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.

(i) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

(j) Neither the BRLMs nor 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 and family offices sponsored by the entities which are associate of the and BRLMs) shall apply in the Offer under the Anchor Investor Portion.

(k) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders 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 any single 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 law or regulation or as specified in this Draft Red Herring Prospectus.

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. RIBs can revise their Bid(s) during the Bid/Offer Period and withdraw or lower the size of their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid/Offer Period.

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 in the prescribed form;

4. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) and PAN in the Bid cum Application Form;

5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time;

6. RIBs Bidding in the Offer shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

7. Ensure that you 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;

8. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;

9. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

10. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008 issued by SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the securities market, and (iii) persons/entities exempt from holding a PAN under applicable law, all Bidders should mention their PAN allotted under the IT Act. 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 beneficial 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;

13. 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;

14. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

15. 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, if applicable, are submitted;

16. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;

17. Since the Allotment will be in dematerialised form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for RIBs bidding through UPI mechanism) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for RIBs bidding through UPI mechanism) 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, UPI ID (for RIBs bidding through UPI mechanism) and PAN available in the Depository database;

18. In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that 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 http:// www.sebi.gov.in);

19. 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 the 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. In case of RIBs Bidding through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

20. Ensure that the Demographic Details are updated, true and correct in all respects;

21. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Offer, which is UPI 2.0 certified by NPCI;

22. Bidders (except RIBs Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIBs, once the Sponsor Bank issues the Mandate Request, the RIBs would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request to authorise the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

23. Bidding through UPI Mechanism 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 authorisation of the mandate using his/her UPI PIN, a RIB Bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the RIB Bidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank issue a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;

24. RIBs bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;

25. RIBs using the UPI Mechanism who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI 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;

26. Bids by Eligible NRIs HUFs and any individuals, corporate bodies and family offices which are recategorised as Category II FPI and registered with SEBI for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Category for allocation in the Offer; and

27. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid Lot;

2. Do not submit a Bid using UPI ID, if you are not an RIB;

3. Do not Bid for a Bid Amount exceeding ₹ 200,000 for Bids by Retail Individual Investors and ₹500,000.00 for Bids by Eligible Employees;

4. 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 Intermediary;

5. Do not Bid/revise the Bid amount to less than the floor price or higher than the cap price;

6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

10. Do not submit the Bid for an amount more than funds available in your ASBA account;

11. 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;

12. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

13. 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);

14. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer 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;

15. Do not Bid for Equity Shares more than specified by the respective Stock Exchanges for each category;

16. In case of ASBA Bidders (other than RIBs using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;

17. If you are RIB and are using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;

18. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;

19. Anchor Investors should not bid through the ASBA process;

20. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;

21. 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;

22. Do not submit the GIR number instead of the PAN;

23. Anchor Investors should submit Anchor Investor Application Form only to the BRLMs;

24. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;

25. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/Offer Closing Date;

26. 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 Investors and Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids on or before the Bid/Offer Closing Date;

27. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are RIB and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;

28. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a RIB Bidding through the UPI Mechanism. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Offer;

29. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;

30. 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 RIBs using the UPI Mechanism;

31. RIBs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a banks which is not mentioned in the list provided in the SEBI website is liable to be rejected;

32. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIBs Bidding 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 the above instructions, as applicable, are not complied with. Further, in case of any pre-issue or post issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please see the section entitled "*General Information*" on page 56.

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/Offer 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/Offer 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 details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the BRLMs and the Registrar to the Offer, 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.

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 offered through the Offer 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 1% of the Net Offer to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the RIBs 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 RIB shall not be less than the minimum bid lot, subject to the availability of shares in RIB category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Payment into Anchor Investor Escrow Account

Our Company and the Selling Shareholders, in consultation with the BRLMs 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. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account should be drawn in favour of:

(a) In case of resident Anchor Investors: "[●]"
(b) 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, the Selling Shareholders, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in [●] edition of [●] (a widely circulated English national daily newspaper), [●] edition of [●] (a widely circulated Hindi national daily newspaper) and [●] edition of [●] (a widely circulated Bengali daily, Bengali being the regional language in the place where our Registered Office is located).

In the pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

The information set out above is given for the benefit of the Bidders/applicants. Our Company, the respective Selling Shareholders, 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/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and Filing with the RoC

(a) Our Company, the Selling Shareholders and the Underwriters intend to enter into an Underwriting Agreement after the finalisation of the Offer Price.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which would then be termed as the Prospectus. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"*Any person who:*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447.

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5.00 million or with both.

Undertakings by our Company

Our Company undertakes the following:

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and to consider them similar to Anchor Investors while finalising the Basis of Allotment;

- all steps 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 are taken within six working days of the Bid/Offer Closing Date or within such other time period prescribed by SEBI will be taken;

- the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- if Allotment is not made within six working days from the Bid/Offer Closing Date or such other prescribed timelines under applicable laws, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable laws. If there is a delay beyond such prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and other applicable laws for the delayed period;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- that if our Company or the Selling Shareholders do not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges shall be informed promptly;

- that if our Company and the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event our Company or the Selling Shareholders subsequently decide to proceed with the Offer;

- No further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the relevant ASBA Accounts on account of non-listing, undersubscription, etc.; and

- adequate arrangements shall be made to collect all Bid cum Application Forms from Bidders.

- Promoter's contribution, if any, shall be brought in advance before the Bid / Offer Opening Date

Undertakings by the Selling Shareholders

Each Selling Shareholder, severally and not jointly, specifically undertakes and/or confirms the following in respect to itself and its respective portion of the Offered Shares:

(i) that the Offered Shares are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or encumbrances and are eligible to be a part of the Offer for Sale, in accordance with Regulation 8 of the SEBI ICDR Regulations and shall continue to be in dematerialised form at the time of transfer;

(ii) that they are the legal and beneficial owner of and has full title to its respective portion of the Offered Shares;

(iii) that they shall provide all support and cooperation as may be reasonably requested by our Company and the BRLMs to the extent such support and cooperation is in relation to its Offered Shares and in relation to necessary formalities for listing and commencement of trading at the Stock Exchanges, the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of its respective portion of the Offered Shares;

(iv) that each Selling Shareholder specifically confirms that they shall not have any recourse to the proceeds of the Offer, until final listing and trading approvals have been received from the Stock Exchanges;

(v) that they shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer, except as permitted under applicable law;

(vi) that they shall not offer, lend, pledge, create lien, charge, encumber, sell, contract to sell or otherwise transfer or dispose of, directly or indirectly, any of the Equity Shares offered in the Offer;

(vii) that they will provide such assistance as may be required by our Company and BRLMs acting reasonably, in redressal of such investor grievances that pertain to the Equity Shares being offered pursuant to the Offer and statements specifically made or confirmed by it in relation to itself as a Selling Shareholder; and

(viii) that they shall transfer their portion of the Offered Shares to an escrow demat account in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement.

The Selling Shareholders have authorised the Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of their respective portion of Offered Shares.

Utilisation of Net Proceeds

Our Board and the Selling Shareholders certify that:

(i) all monies received out of the Offer 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;

(ii) details of all monies utilised out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh 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

(iii) 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.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 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 has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**"), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid and remain in force until superseded in totality or in part thereof.

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.

In terms of Press Note 3 of 2020, dated April 17, 2020, issued by the DPIIT, the FDI Policy has been recently amended to state that all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. 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 of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Offer.

As per the existing policy of the Government, OCBs cannot participate in this Offer.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, please see the sections entitled "*Offer Procedure – Bids by Eligible NRIs*" and "*Offer Procedure – Bids by FPIs*" on page 359.

As per the FDI policy, FDI in companies engaged in manufacturing sector is permitted up to 100% of the paid-up share capital of such company under the automatic route.

For further details, please see the section entitled "*Offer Procedure*" on page 355.

The Equity Shares offered in the Offer 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 (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) 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 occur. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs".

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.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders 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 X: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Terms capitalised and defined herein shall have the same meaning as ascribed to them in the Articles of Association of our Company

1. CONSTITUTION OF THE COMPANY

a) *The regulations contained in table "F" of schedule I to the Companies Act, 2013 shall apply only in so far as the same are not provided for or are not inconsistent with these Articles.*

b) *The regulations for the management of the Company and for the observance of the shareholders thereof and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by special resolution as prescribed by the Companies Act, 2013.*

2. INTERPRETATION

A. DEFINITIONS

In the interpretation of these Articles the following words and expressions shall have the following meanings unless repugnant to the subject or context.

a. "**Act**" means the Companies Act, 2013 (to the extent that such enactment is in force and applicable to the context in which such term is used herein), and all rules and clarifications issued thereunder or the Companies Act, 1956 and the rules issued thereunder (to the extent that such enactment is in force and applicable to the context in which such term is used herein), and shall include all amendments, modifications and re-enactments of the foregoing.

b. "**Annual General Meeting**" shall mean a General Meeting of the holders of Equity Shares, or any class thereof, held in accordance with the applicable provisions of the Act.

c. **"Articles"** shall mean these Articles of Association as adopted or as from time to time altered in accordance with the provisions of these Articles and Act.

d. **"Auditors"** shall mean and include those persons appointed as such for the time being by the company.

e. **"Board"** shall mean the board of directors of the company, as constituted from time to time, in accordance with law and the provisions of these Articles.

f. **"Board Meeting"** shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles.

g. **"Beneficial Owner"** shall mean beneficial owner as defined in Clause (a) of subsection (1) of section 2 of the Depositories Act.

h. **"Capital" or "share capital"** shall mean the share capital for the time being, raised or authorised to be raised for the purpose of the Company.

i. **"Chairman"** shall mean such person as is nominated or appointed in accordance with Article 37 herein below.

j. **"Companies Act, 1956"** shall mean the Companies Act, 1956 (Act I of 1956), as may be in force for the time being.

k. **"Company" or "this company"** shall mean **SHYAM METALICS AND ENERGY LIMITED.**

l. **"Committees"** shall mean a committee constituted in accordance with Article 74.

m. **"Debenture"** shall include debenture stock, bonds, and any other securities of the Company, whether constituting a charge on the assets of the Company or not.

n. **"Depositories Act"** shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof.

o. **“Depository”** shall mean a Depository as defined in Clause (e) of sub-section (1) of section 2 of the Depositories Act.

p. **“Director”** shall mean any director of the company, including alternate directors, independent directors and nominee directors appointed in accordance with law and the provisions of these Articles.

q. **“Dividend”** shall include interim dividends.

r. “**Equity Share Capital**” shall mean the total issued and paid-up equity share capital of the Company, calculated on a Fully Diluted Basis.

s. **“Executor”** or **“Administrator”** shall mean a person who has obtained probate orletters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorizing the holder thereof to negotiate or transfer the Equity Share or Equity Shares of the deceased Shareholder and shall also include the holder of a certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.

t. “**Fully Diluted Basis**” shall mean, in reference to any calculation, that the calculation should be made in relation to the equity share capital of any Person, assuming that all outstanding convertible preference shares or debentures, options, warrants and other equity securities convertible into or exercisable or exchangeable for equity shares of that Person (whether or not by their terms then currently convertible, exercisable or exchangeable), have been so converted, exercised or exchanged to the maximum number of equity shares possible under the terms thereof.

u. **“General Meeting”** shall mean a meeting of holders of Equity Shares, or any class thereof, and any adjournment thereof.

v. “**Independent Director**” shall mean an independent director as defined under the Act and under the SEBI Listing Regulations.

w. **“Law”** shall mean all applicable provisions of all (i) constitutions, treaties, statutes,laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and SEBI, including the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015, (ii) governmental approvals or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any governmental authority having jurisdiction over the matter in question, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing by any governmental authority having jurisdiction over the matter in question, (iv) rules, policy, regulations or requirements of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or any other generally accepted accounting principles.

x. “**Memorandum**” shall mean the memorandum of association of the Company, as amended from time to time.

y. **“Office”** shall mean the registered office for the time being of the Company.

z. “**Paid up**” shall include the amount credited as paid up.

aa. “**Person**” shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).

bb. “**Register of Members**” shall mean the register of shareholders to be kept pursuant to Section 88 of the Act.

cc. “**Registrar**” shall mean the Registrar of Companies, from time to time having jurisdiction over the Company.

dd. “**Rules**” shall mean the rules made under the Act and notified from time to time.

ee. “**Seal**” shall mean the common seal(s) for the time being of the Company.

ff. “**SEBI**” shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.

gg. "**SEBI Listing Regulations**" Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any statutory amendments or modification thereof

hh. **"Secretary"** shall mean a company secretary as defined in clause (c) of sub-section (1) of section 2 of the Company Secretaries Act, 1980 who is appointed by a company to perform the functions of a company secretary under the Act.

ii. "**Securities**" shall mean any Equity Shares or any other securities, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares.

jj. **"Share Equivalents"** shall mean any Debentures, preference shares, foreign currency convertible bonds, floating rate notes, options (including options to be approved by the Board (whether or not issued) pursuant to an employee stock option plan) or warrants or other Securities or rights which are by their terms convertible or exchangeable into Equity Shares.

kk. "**Shareholder**" shall mean any shareholder of the Company, from time to time.

ll. **"Shareholders Meeting"** shall mean any meeting of the Shareholders of the Company, or any class thereof, including the Annual General Meeting and any Extra-Ordinary General Meeting, or any adjournment thereof.

mm. **"Transfer" shall mea**n (i) any, direct or indirect, transfer or other disposition of anyshares, securities (including convertible securities), or voting interests or any interest therein, including, without limitation, by operation of Law, by court order, by judicial process, or by foreclosure, levy or attachment; (ii) any, direct or indirect, sale, assignment, gift, donation, redemption, conversion or other disposition of such shares, securities (including convertible securities) or voting interests or any interest therein, pursuant to an agreement, arrangement, instrument or understanding by which legal title to or beneficial ownership of such shares, securities (including convertible securities) or voting interests or any interest therein passes from one Person to another Person or to the same Person in a different legal capacity, whether or not for value; (iii) the granting of any security interest or encumbrance in, or extending or attaching to, such shares, securities (including convertible securities) or voting interests or any interest therein, and the word "**Transferred**" shall be construed accordingly.

nn. "**Tribunal**" shall mean the National Company Law Tribunal constitutes under Section 408 of the Act.

B. CONSTRUCTION

In these Articles (unless the context requires otherwise):

(i) References to a Party shall, where the context permits, include such Party's respective successors, legal heirs and permitted assigns.

(ii) The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.

(iii) References to articles and sub-articles are references to Articles and Sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and Sub-articles herein.

(iv) Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.

(v) Wherever the words "include," "includes," or "including" is used in these Articles, such words shall be deemed to be followed by the words "without limitation".

(vi) The terms "hereof", "herein", "hereto", "hereunder" or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise.

(vii) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of such period is not a Business Day; and whenever any payment is to be made or action to be taken under these Articles is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day following.

(viii) A reference to a Party being liable to another Party, or to liability, includes, but is not limited to, any liability in equity, contract or tort (including negligence).

(ix) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.

(x) References to any particular number or percentage of securities of a Person (whether on a Fully Diluted Basis or otherwise) shall be adjusted for any form of restructuring of the share capital of that Person, including without limitation, consolidation or subdivision or splitting of its shares, issue of bonus shares, issue of shares in a scheme of arrangement (including amalgamation or de-merger) and reclassification of equity shares or variation of rights into other kinds of securities.

(xi) References made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the MCA. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Act have been notified.

(xii) In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

3. EXPRESSIONS IN THE ACT AND THESE ARTICLES

Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

4. SHARE CAPITAL

(i) The authorised Share Capital of the Company shall be as stated under Clause V of the Memorandum of Association of the Company from time to time.

(ii) The Company has power, from time to time, to increase its authorised or issued and Paid up Share Capital.

(iii) The Share Capital of the Company may be classified into Equity Shares with differential rights as to dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules, and Law, from time to time.

(iv) Subject to Article 4(iii), all Equity Shares shall be of the same class and shall be alike in all respects and the holders thereof shall be entitled to identical rights and privileges including without limitation to identical rights and privileges with respect to dividends, voting rights, and distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company.

(v) The Board may allot and issue shares of the Company as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or the acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any shares which may be so allotted may be issued as fully/partly paid up shares and if so issued shall be deemed as fully/partly paid up shares. However, the aforesaid shall be subject to the approval of shareholders under the relevant provisions of the Act and Rules.

(vi) Nothing herein contained shall prevent the Directors from issuing fully paid up shares either on payment of the entire nominal value thereof in cash or in satisfaction of any outstanding debt or obligation of the Company.

(vii) Except so far as otherwise provided by the conditions of issue or by these presents, any Capital raised by the creation of new Equity Shares, shall be considered as part of the existing Capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

(viii) Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any Equity Shares therein, shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall for the purposes of these Articles be a Shareholder.

(ix) The money, (if any), which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottee, in the Register of Members as the name of the holder of such Equity Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

5. BRANCH OFFICES

The Company shall have the power to establish one or more branch offices, in addition to the Office, in such places at its Board may deem fit.

6. PREFERENCE SHARES

(a) **Redeemable Preference Shares**

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

(b) **Convertible Redeemable Preference Shares**

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for redemption at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit.

7. PROVISIONS IN CASE OF PREFERENCE SHARES.

Upon the issue of preference shares pursuant to Article 6 above, the following provisions shall apply:

(a) No such shares shall be redeemed except out of profits of the Company which would otherwise be available for Dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption;

(b) No such shares shall be redeemed unless they are fully paid;

(c) The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's securities premium account, before the shares are redeemed;

(d) Where any such shares are proposed to be redeemed out of the profits of the Company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the "**Capital Redemption Reserve Account**" and the applicable provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided by Section 55 of the Act, apply as if the Capital Redemption Reserve Account were Paid up Share Capital of the Company;

(e) The redemption of preference shares under this Article by the Company shall not be taken as reduction of Share Capital;

(f) The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up un-issued shares of the Company to be issued to the Shareholders as fully paid bonus shares; and

(g) Whenever the Company shall redeem any redeemable preference shares or cumulative convertible redeemable preference shares, the Company shall, within 30 (thirty) days thereafter, give notice thereof to the Registrar of Companies as required by Section 64 of the Act.

8. SHARE EQUIVALENT

The Company shall, subject to the applicable provisions of the Act, compliance with Law and the consent of the Board, have the power to issue Share Equivalents on such terms and in such manner as the Board deems fit including their conversion, repayment, and redemption whether at a premium or otherwise.

9. DEPOSITORY RECEIPTS

The Company shall, subject to the applicable provisions of the Act, compliance with all Laws and the consent of the Board, have the power to issue depository receipts, including American depository receipts and global depository receipts, on such terms and in such manner as the Board deems fit including their conversion and repayment. Such terms may include at the discretion of the Board, limitations on voting by holders of depository receipts, including without limitation, exercise of voting rights in accordance with the directions of the Board.

10. ALTERATION OF SHARE CAPITAL

Subject to these Articles and Section 61 of the Act, the Company may, by Ordinary Resolution, alter the conditions of its Memorandum as follows, that is to say, it may:

(a) increase its Share Capital by 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 no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner.

(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 shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and

(e) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act.

11. REDUCTION OF SHARE CAPITAL

The Company may, subject to the applicable provisions of the Act, from time to time, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have under Law, if it were omitted.

12. POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES

Pursuant to a resolution of the Board, the Company may purchase its own Equity Shares or other Securities, as may be specified by the MCA, by way of a buy-back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with Law.

13. POWER TO MODIFY RIGHTS

Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Act and Law, and whether or not the Company is being wound up, be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any Person purporting to contract on behalf of that class, provided the same is effected with consent in writing and by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class. Subject to Section 48(2) of the Act and Law, all provisions hereafter contained as to General Meetings (including the provisions relating to quorum at such meetings) shall mutatis mutandis apply to every such meeting.

14. REGISTERS TO BE MAINTAINED BY THE COMPANY

(a) The Company shall, in terms of the provisions of Section 88 of the Act and the provisions of the Depositories Act, 1996, keep or cause to be kept the following registers in terms of the applicable provisions of the Act

(i) A Register of Members indicating separately for each class of Equity Shares and preference shares held by each Shareholder residing in or outside India;

(ii) A register of Debenture holders; and

(iii) A register of any other security holders.

(b) The Company shall also be entitled to keep in any country outside India, a part of the registers referred above, called "foreign register" containing names and particulars of the Shareholders, Debenture holders or holders of other Securities or beneficial owners residing outside India.

(c) The registers mentioned in this Article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

15. SHARES AND SHARE CERTIFICATES

(a) The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

(b) A duplicate certificate of shares may be issued, if such certificate:

i. is proved to have been lost or destroyed; or

ii. has been defaced, mutilated or torn and is surrendered to the Company.

(c) The Company shall be entitled to dematerialize its existing shares, rematerialize its shares held in the depository and/or to offer its fresh shares in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.

(d) A certificate, issued under the common seal of the Company, specifying the shares held by any Person shall be *prima facie* evidence of the title of the Person to such shares. Where the shares are held in depository form, the record of depository shall be the *prima facie* evidence of the interest of the beneficial owner.

(e) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof 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 Company deems adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate, within a period of 30 days from the receipt of such lodgement. Every Certificate under the Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rupees two for each certificate) as the Directors shall prescribe. Provided that, no fee shall be charged for issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with the applicable provisions of the Act and Law.

(f) The provisions of this Article shall *mutatis mutandis* apply to Debentures and other Securities of the Company.

(g) When a new share certificate has been issued in pursuance of sub-article (e) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.

(h) Where a new share certificate has been issued in pursuance of sub-articles (e) or (f) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates maintained in the form and manner specified under the Companies (Share Capital and Debentures) Rules, 2014.

(i) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a Resolution of the Board. The blank forms shall be consecutively machine–numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may authorize for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.

(j) Every person whose name is entered as a member in the register of members shall be entitled, in respect of their shareholding, to seek consolidation or sub-division of their holdings and the issue of one or several certificates in respect of such holdings, upon payment of such fee as the Board may deem fit, subject to applicable law.

(k) The Secretary shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub-article (i) of this Article.

(l) All books referred to in sub-article (j) of this Article, shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014.

(m) The details in relation to any renewal or duplicate share certificates shall be entered into the register of renewed and duplicate share certificates, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

(n) If any Share stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares, and for all incidents thereof according to these Articles.

(o) Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other Person whether or not he shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them.

16. SHARES AT THE DISPOSAL OF THE DIRECTORS

(a) Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased 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 Persons in such proportion and on such terms and conditions and either at a premium or at par or at discount (subject to compliance with Section 53 of the Act) at such time as they may, from time to time, think fit to give to any person or persons the option or right to call for any shares either at par or premium or at a discount subject to the provisions of the Act during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any 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 shares and if so issued, shall be deemed to be fully paid up shares. Provided that option or right to call shares shall not be given to any Person or Persons without the sanction of the Company in the General Meeting.

(b) If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator.

(c) Every Shareholder, or his heirs, Executors, or Administrators shall pay to the Company, the portion of the Capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.

(d) In accordance with Section 56 and other applicable provisions of the Act and the Rules:

(i) Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificates shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued under the Seal of the Company which shall be affixed in the presence of 2 (two) Directors or persons acting on behalf of the Board under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and the 2 (two) Directors or their attorneys and the Secretary or other person shall sign the shares certificate(s), provided that if the composition of the Board permits, at least 1 (one) of the aforesaid 2 (two) Directors shall be a person other than a Managing Director(s) or an executive director(s). Particulars of every share certificate issued shall be entered in the Register of Members against the name of the Person, to whom it has been issued, indicating the date of issue. For any further certificate, the Board shall be entitled, but shall not be bound to prescribe a charge not exceeding rupees two.

(ii) Every Shareholder shall be entitled, without payment, to one or more certificates, in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment, or within 15 (Fifteen) days of the receipt of instrument of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be. Every certificate of shares shall be in the form and manner as specified in Article 15 above and in respect of a share or shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to the first named joint holders shall be sufficient delivery to all such holders.

(e) The Company shall deliver or have ready for delivery the share certificates on allotment, transfer and transmission in material or in dematerialized form within the time stipulated as under applicable law for the time being in force.

(i) the Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates or Debenture certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable/marketable lot.

(ii) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

17. UNDERWRITING AND BROKERAGE

(a) Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscription, (whether absolutely or conditionally), for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

(b) The Company may also, on any issue of shares or Debentures, pay such brokerage as may be lawful.

18. CALLS

(a) Subject to the provisions of Section 49 of the Act, the Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, (and not by circular resolution), make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by installments. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.

(b) 30 (thirty) days' notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment and if payable to any Person other than the Company, the name of the person to whom the call shall be paid, provided that before the time for payment of such call, the Board may by notice in writing to the Shareholders revoke the same.

(c) The Board may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call and thereupon the call shall be deemed to have been made on the date so determined and if no date is determined, the call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders whose names appear on the Register of Members on such date or at the discretion of the Board on such subsequent date as shall be fixed by the Board. A call may be revoked or postponed at the discretion of the Board.

(d) The joint holder of a share shall be jointly and severally liable to pay all instalments and calls due in respect thereof.

(e) The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.

(f) If any Shareholder or allottee fails to pay the whole or any part of any call or installment, due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Shareholder.

(g) Any sum, which by the terms of issue of a share or otherwise, becomes payable on allotment or at any fixed date or by installments at a fixed time 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 or otherwise the same became payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.

(h) On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, or one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares; that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

(i) Neither a judgment nor a decree in favour of the Company for calls or other money due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from time to time be due from any Shareholder to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

(j) The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board agree upon, provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

(k) No Shareholder shall be entitled to voting rights in respect of the money(ies) so paid by him until the same would but for such payment, become presently payable.

(l) The provisions of these Articles shall *mutatis mutandis* apply to the calls on Debentures of the Company.

19. COMPANY'S LIEN:

i. On shares:

(a) The Company shall have a first and paramount lien:

(i) on every share (not being a fully paid share), for all money called, or payable at a fixed time, in respect of that share;

Provided that the Board may, at any time, declare any shares wholly or in part to be exempt from the provisions of this Article.

(b) Company's lien, if any, on such partly paid shares, shall extend to all Dividends payable and bonuses declared from time to time in respect of such shares.

(c) Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The fully paid up shares shall be free from all lien and that in case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed price in respect of such shares.

(d) For the purpose of enforcing such lien, the Board may sell the shares, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of 14 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 share or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such 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. 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.

(e) No Shareholder shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

ii.On Debentures:

(a) The Company shall have a first and paramount lien:

(i) All provisions of shares shall apply mutatis mutandis, in relation to Debentures.

20. FORFEITURE OF SHARES

(a) If any Shareholder fails to pay any call or installment or any part thereof or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or installment or any part thereof or other money remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to him or his legal representatives requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

(b) The notice shall name a day, (not being less than 14 (fourteen) days from the date of the notice), and a place or places on or before which such call or installment or such part or other money as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date on which such call or installment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable, will be liable to be forfeited.

(c) If the requirements of any such notice as aforesaid are not be complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, installments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act. There shall be no forfeiture of unclaimed Dividends before the claim becomes barred by Law.

(d) When any share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder on whose name it stood immediately prior to the forfeiture or if any of his legal representatives or to any of the Persons entitled to the shares by transmission, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

(e) Any share so forfeited shall be deemed to be the property of the Company and may be sold; re-allotted, or otherwise disposed of either to the original holder thereof or to any other Person upon such terms and in such manner as the Board shall think fit.

(f) Any Shareholder whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses and other money owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce, (if it thinks fit), payment thereof as if it were a new call made at the date of forfeiture.

(g) The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

(h) A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the shares.

(i) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some Person to execute an instrument of 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 the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, 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 and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

(j) Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

(k) The Board may, at any time, before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

21. FURTHER ISSUE OF SHARE CAPITAL

(a) Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—

(i) to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:-

a. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

b. the offer aforesaid 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; and the notice referred to in clause a. above shall contain a statement of this right;

c. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company;

(ii) to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or

(iii) to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in clause (i) or clause (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the Rules.

(b) The notice referred to in sub-clause a. of clause (i) of sub-article (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.

(c) Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company:

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in a General Meeting.

(d) The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Act, the Rules and the applicable provisions of the Act.

22. TRANSFER AND TRANSMISSION OF SHARES

(a) The Company shall maintain, or cause to be maintained, a "Register of Transfers" and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any Share, Debenture or other Security held in a material form.

(b) In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.

(c) (i) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act.

(ii) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.

(d) Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.

(e) The Board shall have power on giving not less than 7 (seven) days previous notice by advertisement in a vernacular newspaper and in an English newspaper having wide circulation in the city, town or village in which the Office of the Company is situated, and publishing the notice on the website as may be notified by the Central Government and on the website of the Company, to close the transfer books, the Register of Members and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.

(f) Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a Shareholder in the Company. The Company shall, - from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal, within time stipulated as per applicable law.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

(g) Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.

(h) Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the stock exchange listing requirements on the ground that the number of shares to be transferred is less than any specified number.

(i) In case of the death of any one or more Shareholders named in the Register of Members as the joint-holders of any shares, the survivors shall be the only Shareholder or Shareholders recognized by the Company as having any title to or interest in such shares, but nothing therein 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.

(j) The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint-holders), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or holders of succession certificate or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under Article 22(a) of these Articles register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.

(k) The Board shall not knowingly issue or register a transfer of any share to a minor or insolvent or Person of unsound mind, except fully paid shares through a legal guardian.

(l) Subject to the provisions of Articles, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.

(m) A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

(n) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the shares. Every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a special account unless the Company is authorized by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares.

In case of transfer and 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 and fungible form in a Depository, the provisions of the Depositories Act shall apply.

(o) Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.

(p) No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents, sub division and/or consolidation of shares and debentures and sub-divisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine transfer receipts into denomination corresponding to the market unit of trading.

(q) The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Members), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

(r) The Company shall not register the transfer of its securities in the name of the transferee(s) when the transferor(s) objects to the transfer.

Provided that the transferor serves on the Company, within sixty working days of raising the objection, a prohibitory order of a Court of competent jurisdiction.

(s) The Board may delegate the power of transfer of securities to a committee or to compliance officer or to the registrar to an issue and/or share transfer agent(s).

Provided that the delegated authority shall report on transfer of securities to the Board in each meeting.

(t) There shall be a common form of transfer in accordance with the Act and Rules.

(u) The provision of these Articles shall be subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.

23. DEMATERIALIZATION OF SECURITIES

(a) <u>Dematerialization</u>:

Notwithstanding anything contained in these Articles, and subject to the applicable provisions of the Act, 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.

(b) Subject to the applicable provisions of the Act, instead of issuing or receiving certificates for the Securities, as the case may be, either the Company or the investor 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 as amended from time to time or any statutory modification thereto or re-enactment thereof.

(c) 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.

(d) If a Person opts to hold his Securities with a Depository, then notwithstanding anything to the contrary contained in these Articles 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.

(e) 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 Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

(f) Rights of Depositories & Beneficial Owners:

(i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.

(ii) 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.

(iii) 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.

(iv) 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.

(g) Except as ordered by a court of competent jurisdiction or as may be required by Law required 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.

(h) Register and 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.

(i) 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.

(j) 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.

(k) Transfer of Securities:

(i) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

(ii) 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.

(l) 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.

(m) 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.

(n) 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.

(o) 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.

(p) 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.

(q) Option to opt out in respect of any such Security:

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.

(r) Overriding effect of this Article:

Provisions of this Article will have full effect and force not withstanding anything to the contrary or inconsistent contained in any other Articles.

24. NOMINATION BY SECURITIES HOLDERS

(a) Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.

(b) Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities Company shall vest in the event of death of all the joint holders.

(c) Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.

(d) Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.

(e) The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.

25. NOMINATION IN CERTAIN OTHER CASES

Subject to the applicable provisions of the Act and these Articles, any person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any holder of Securities, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Securities or elect to have some Person nominated by him and approved by the Board registered as such holder; provided nevertheless that, if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Securities.

26. COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO SHAREHOLDERS

Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every Shareholder at his request within 7 (seven) days of the request on payment of such sum as prescribed under the Companies (Incorporation) Rules, 2014.

27. BORROWING POWERS

(a) 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, at its discretion by resolution passed at the meeting of a Board:

(i) accept or renew deposits from Shareholders;

(ii) borrow money by way of issuance of Debentures;

(iii) borrow money otherwise than on Debentures;

(iv) accept deposits from Shareholders either in advance of calls or otherwise; and

(v) generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Provided, however, that where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a General Meeting.

(b) Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board shall prescribe including by the issue of bonds, perpetual or redeemable Debentures or debenture–stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company, both present and future. Provided however that the Board shall not, except with the consent of the Company by way of a Special Resolution in General Meeting mortgage, charge or otherwise encumber, the Company's uncalled Capital for the time being or any part thereof and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.

(c) Any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.

(d) Subject to the applicable provisions of the Act and these Articles, if any uncalled Capital of the Company is included in or charged by any mortgage or other security, the Board shall make calls on the Shareholders in respect of such uncalled Capital in trust for the Person in whose favour such mortgage or security is executed, or if permitted by the Act, may by instrument under seal authorize the Person in whose favour such mortgage or security is executed or any other Person in trust for him to make calls on the Shareholders in respect of such uncalled Capital and the provisions hereinafter contained in regard to calls shall *mutatis mutandis* apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally or either presently or contingently and either to the exclusion of the Board's power or otherwise and shall be assignable if expressed so to be.

(e) The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, Debentures and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board.

(f) Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.

(g) The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company.

28. SHARE WARRANTS

(a) The Company may issue share warrants subject to, and in accordance with, the provisions of Sections 114 and 115 of the Companies Act, 1956; and accordingly the Board may in its discretion, with respect to any Share which is fully Paid-up, on application in writing signed by the Persons registered as holder of the Share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the Person signing the application, and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

(b) (i) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a Shareholder at any meeting held after the expiry of 2 (two) clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposited warrant.

(ii) Not more than one person shall be recognised as depositor of the share warrant.

(iii) The Company shall, on 2 (two) days' written notice, return the deposited share warrant to the depositor.

(c) (i) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privileges of a Shareholder at a meeting of the Company, or be entitled to receive any notices from the Company.

(ii) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the Shareholder included in the warrant, and he shall be a Shareholder of the Company.

(d) The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

(e) The provisions contained under this Article shall cease to have effect post the notification of section 465 of the Act which shall repeal the provisions of Companies Act, 1956.

29. CONVERSION OF SHARES INTO STOCK AND RECONVERSION

The Company in General Meeting may, by Ordinary Resolution, convert any Paid-up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations as those subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may, by an Ordinary Resolution, at any time reconvert any stock into Paid-up shares of any denomination. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however such minimum shall not exceed the nominal account from which the stock arose.

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 privileges or advantages, (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.

30. ANNUAL GENERAL MEETING

In accordance with the provisions of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, not more than 15 (fifteen) months gap shall exist between the date of one Annual General Meeting and the date of the next. All General Meetings other than Annual General Meetings shall be Extraordinary General Meetings.

31. WHEN ANNUAL GENERAL MEETING TO BE HELD

Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96(1) of the Act to extend the time within which any Annual General Meeting may be held.

32. VENUE, DAY AND TIME FOR HOLDING ANNUAL GENERAL MEETING

(a) Every Annual General Meeting shall be called during business hours, that is, between 10 A.M. and 6 P.M. on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.

(b) Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report, (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual Return and forward the same to the concerned Registrar of Companies, in accordance with Sections 92 and 137 of the Act. The Directors are also entitled to attend the Annual General Meeting.

33. NOTICE OF GENERAL MEETINGS

(a) <u>Number of days' notice of General Meeting to be given</u>: A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served (i.e., on expiry of 48 (forty eight) hours after the letter containing the same is posted). However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting.

The notice of every meeting shall be given to:

(a) every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company,

(b) Auditor or Auditors of the Company, and

(c) all Directors.

(b) <u>Notice of meeting to specify place, etc., and to contain statement of business</u>: Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act.

(c) Contents and manner of service of notice and Persons on whom it is to be served: Every notice may be served by the Company on any Shareholder thereof either personally or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.

(d) Special Business: Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business transacted at any meeting of the Company shall be deemed to be special and all business transacted at the Annual General Meeting of the Company with the exception of the business specified in Section 102 of the Act shall be deemed to be special.

(e) Resolution requiring Special Notice: With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.

(f) Notice of Adjourned Meeting when necessary: 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 in accordance with the applicable provisions of the Act.

(g) Notice when not necessary: Save as aforesaid, and as provided in Section 103 of 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.

(h) The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

34. REQUISITION OF EXTRAORDINARY GENERAL MEETING

(a) The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.

(b) Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

(c) Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty-one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

(d) Any meeting called under the foregoing sub-articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board.

(e) The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

(f) No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.

(g) The Extraordinary General Meeting called under this article shall be subject to and in accordance with the provisions contained under the Companies (Management and Administration) Rules, 2014.

35. 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.

36. CHAIRMAN OF THE GENERAL MEETING

The Chairman of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairman. If no Director is present or if all the Directors present decline to take the Chair, then the Shareholders present shall elect, on a show of hands or on a poll if properly demanded, one of their member to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.

37. CHAIRMAN CAN ADJOURN THE GENERAL MEETING

The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

38. QUESTIONS AT GENERAL MEETING HOW DECIDED

(a) At any General Meeting, a resolution put to the vote of the General Meeting shall, unless a poll is demanded, be decided by a show of hands. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act or the voting is carried out electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise.

(b) In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.

(c) If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the City, Town or Village in which the Office of the Company is situate and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.

(d) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutinizers to scrutinise the votes given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a Shareholder, (not being an officer or employee of the Company), present at the meeting provided such a Shareholder is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutinizer from office and fill vacancies in the office of scrutinizer arising from such removal or from any other cause.

(e) Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be taken at the meeting forthwith. A poll demanded on any other question shall be taken at such time not later than 48 hours from the time of demand, as the Chairman of the meeting directs.

(f) The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

(g) No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.

(h) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

39. PASSING RESOLUTIONS BY POSTAL BALLOT

(a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.

(b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time and applicable Law.

40. VOTES OF SHAREHOLDERS

(a) No Shareholder shall be entitled to vote either personally or by proxy at any General Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

(b) No shareholder shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him have been paid, or in regard to which the Company has lien and has exercised any right of lien.

(c) Subject to the provisions of these Articles, without prejudice to any special privilege or restrictions as to voting for the time being attached to any class of shares for the time being forming a part of the Capital of the Company, every Shareholder not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands, every Shareholder present in person shall have one vote and upon a poll, the voting right of such Shareholder present, either in person or by proxy, shall be in proportion to his share of the Paid Up Share Capital of the Company held alone or jointly with any other Person or Persons.

Provided however, if any Shareholder holding Preference shares be present at any meeting of the Company, save as provided in Section 47(2) of the Act, he shall have a right to vote only on resolutions placed before the Meeting, which directly affect the rights attached to his preference shares.

(d) On a poll taken at a meeting of the Company, a Shareholder entitled to more than one vote, or his proxy, or any other Person entitled to vote for him (as the case may be), need not, if he votes, use or cast all his votes in the same way.

(e) A Shareholder 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, through a committee or through his legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Shareholder be a minor his vote in respect of his Share(s) shall be exercised by his guardian(s), who may be selected (in case of dispute) by the Chairman of the meeting.

(f) If there be joint registered holders of any shares, any one of such Persons may vote at any meeting or may appoint another Person, (whether a Shareholder or not) as his proxy in respect of such shares, as if he were solely entitled thereto; but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, then one of the said Persons so present whose name stands higher in the Register of Members shall alone be entitled to speak and to vote in respect of such shares, but the other joint- holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Shareholder in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof.

(g) Subject to the provision of these Articles, votes may be given personally or by an attorney or by proxy. A body corporate, whether or not a Company within the meaning of the Act, being a Shareholder may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers, (including the right to vote by proxy), on behalf of the body corporate which he represents as that body could have exercised if it were an individual Shareholder.

(h) Any Person entitled to transfer any shares of the Company may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

(i) Every proxy, (whether a Shareholder or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the Common Seal of such corporation or be signed by an officer or an attorney duly authorised by it, and any committee or guardian may appoint proxy. The proxy so appointed shall not have any right to speak at a meeting.

(j) An instrument of proxy may appoint a proxy either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting.

(k) A Shareholder present by proxy shall be entitled to vote only on a poll.

(l) An instrument appointing a proxy and a power of attorney or other authority (including by way of a Board Resolution, (if any),) under which it is signed or a notarially certified copy of that power or authority or resolution as the case may be, shall be deposited at the Office not later than forty-eight hours before the time for holding the meeting at which the Person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution. An attorney shall not be entitled to vote unless the power of attorney or other instrument or resolution as the case may be appointing him or a notarially certified copy thereof has either been registered in the records of the Company at any time not less than forty-eight hours before the time for holding the meeting at which the attorney proposes to vote, or is deposited at the Office of the Company not less than forty-eight hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may, by notice in writing addressed to the Shareholder or the attorney, given at least 48 (forty eight) hours before the meeting, require him to produce the original power of attorney or authority or resolution as the case may be and unless the same is deposited with the Company not less than forty-eight hours before the time fixed for the meeting, the attorney shall not be entitled to vote at such meeting unless the Board in their absolute discretion excuse such non-production and deposit.

(m) Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out in the Companies (Management and Administration) Rules, 2014.

(n) If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine in the custody of the Company; if embracing other objects a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.

(o) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.

(p) No objection shall be made to the validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

(q) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.

   (i) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.

   (ii) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a

Director duly authorised by the Board for that purpose.

(iii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(iv) The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

(v) All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting.

(vi) Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.

(vii) Any such Minutes shall be evidence of the proceedings recorded therein.

(viii) The book containing the Minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.

(ix) The Company shall cause minutes to be duly entered in books provided for the purpose of: -

a) the names of the Directors and Alternate Directors present at each General Meeting;

b) all Resolutions and proceedings of General Meeting.

(r) The Shareholders shall vote (whether in person or by proxy) all of the shares owned or held on record by them at any Annual or Extraordinary General Meeting of the Company called for the purpose of filling positions to the Board, appointed as a Director of the Company under Sections 152 and 164(1) of the Act in accordance with these Articles.

(s) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

(t) All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.

(u) The Shareholders shall exercise their voting rights as shareholders of the Company to ensure that the Act or these Articles are implemented and acted upon by the Shareholders, and by the Company and to prevent the taking of any action by the Company or by any Shareholder, which is contrary to or with a view or intention to evade or defeat the terms as contained in these Articles.

(v) Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).

(w) The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, the SEBI Listing Regulations or any other Law, if applicable to the Company.

41. 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.

42. COMPANY MAY INCREASE OR REDUCE THE NUMBER OF DIRECTORS.

Subject to Article 42 and Sections 149, 152 and 164 of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may alter their qualifications and the Company may, (subject to the provisions of Section 169 of the Act), remove any Director before the expiration of his period of office and appoint another qualified in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

43. CHAIRMAN OF THE BOARD OF DIRECTORS

The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside at all meetings of the Board and the General Meeting of the Company. The Chairman shall have a casting vote in the event of a tie.

If for any reason the Chairman is not present at the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman.

44. APPOINTMENT OF ALTERNATE DIRECTORS

Subject to Section 161 of the Act, any Director shall be entitled to nominate an alternate director to act for him during his absence for a period of not less than 3 (three) months. The Board may appoint such a person as an Alternate Director to act for a Director (hereinafter called "**the Original Director**") (subject to such person being acceptable to the Chairman) during the Original Director's absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to the State. If the term of the office of the Original Director is determined before he so returns to the State, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.

45. CASUAL VACANCY AND ADDITIONAL DIRECTORS

Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any qualified Person to be a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 42**.** Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.

46. DEBENTURE DIRECTORS

If it is provided by a trust deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person/lender or Persons/lenders shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person/lender or Persons/lenders having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to a Debenture Director. A Debenture Director may be removed from office at any time by the Person/lender or Persons/lenders in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The trust deed may contain ancillary provisions as may be arranged between the Company and the trustees and all such provisions shall have effect notwithstanding any other provisions contained herein.

47. INDEPENDENT DIRECTORS

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) 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.

48. EQUAL POWER TO DIRECTOR

Except as otherwise provided in these Articles, all the Directors of the Company shall have in all matters, equal rights and privileges and shall be subject to equal obligations and duties in respect of the affairs of the Company.

49. NOMINEE DIRECTORS

Whenever the Board enters into a contract with any lenders for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or enter into any other arrangement, the Board shall have, subject to the provisions of Section 152 of the Act the power to agree that such lenders shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the common loan agreement/ facility agreement. The nominee director representing lenders shall not be required to hold qualification shares and not be liable to retire by rotation. The Directors may also agree that any such Director, or Directors may be removed from time to time by the lenders entitled to appoint or nominate them and such lenders may appoint another or other or others in his or their place and also fill in any vacancy which may occur as a result of any such Director, or Directors ceasing to hold that office for any reason whatsoever. The nominee director shall hold office only so long as any monies remain owed by the Company to such lenders.

The nominee director shall be entitled to all the rights and privileges of other Directors including the sitting fees and expenses as payable to other Directors but, if any other fees, commission, monies or remuneration in any form are payable to the Directors, the fees, commission, monies and remuneration in relation to such nominee director shall accrue to the lenders and the same shall accordingly be paid by the Company directly to the lenders.

Provided that if any such nominee director is an officer of any of the lenders, the sittings fees in relation to such nominee director shall also accrue to the lenders concerned and the same shall accordingly be paid by the Company directly to that lenders.

Any expenditure that may be incurred by the lenders or the nominee director in connection with the appointment or directorship shall be borne by the Company.

The nominee director so appointed shall be a member of the project management sub-committee, audit sub-committee and other sub-committees of the Board, if so desired by the lenders.

The nominee director shall be entitled to receive all notices, agenda, etc. and to attend all general meetings and Board meetings and meetings of any committee(s) of the Board of which he is a member and to receive all notices, agenda and minutes, etc. of the said meeting.

If at any time, the nominee director is not able to attend a meeting of Board or any of its committees, of which he is a member, the lenders may depute an observer to attend the meeting. The expenses incurred by the lenders in this connection shall be borne by the Company.

50. NO QUALIFICATION SHARES FOR DIRECTORS

A Director shall not be required to hold any qualification shares of the Company.

51. REMUNERATION OF DIRECTORS

(a) Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the SEBI Listing Regulations, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, subject to the limits prescribed under the Act.

(b) Subject to the applicable provisions of the Act, a Director (other than a Managing Director or an executive Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the central government from time to time for each meeting of the Board or any Committee thereof attended by him.

(c) 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 the first proviso to Section 197 of the Act.

(d) All fees/compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board and shall require the prior approval of the Shareholders in a General meeting. Such approval shall also specify the limits for the maximum number of stock options that can be granted to a non-executive Director, in any financial year, and in aggregate. However, such prior approval of the Shareholders shall not be required in relation to the payment of sitting fees to non-executive Directors if the same is made within the prescribed limits under the Act for payment of sitting fees with approval of Central Government. Notwithstanding anything contained in this article, the Independent Directors shall not be eligible to receive any stock options.

52. SPECIAL REMUNERATION FOR EXTRA SERVICES RENDERED BY A DIRECTOR

If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board. Such remuneration may either be in addition, to or in substitution for his remuneration otherwise provided, subject to the applicable provisions of the Act.

53. TRAVEL EXPENSES OF DIRECTORS

The Board may allow and pay to any Director, who is not a bona fide resident of the place where the meetings of the Board/Committee meetings are ordinarily held; and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for travelling, lodging and/ or other expenses, in addition to his fee for attending such Board / Committee meetings as above specified; and if any Director be called upon to go or reside out of his ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed travelling and other expenses incurred in connection with the business of the Company in accordance with the provisions of the Act.

54. CONTINUING DIRECTORS

The continuing Directors may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by Article 42 hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.

55. VACATION OF OFFICE BY DIRECTOR

(a) Subject to relevant provisions of Sections 167 and 188 of the Act, the office of a Director, shall *ipso facto* be vacated if:

(i) he is found to be of unsound mind by a court of competent jurisdiction; or

(ii) he applies to be adjudicated an insolvent; or

(iii) he is adjudged an insolvent; or

(iv) he is convicted by a court of any offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than 6 (six) months; or

(v) he fails to pay any calls made on him in respect of shares of the Company held by him whether alone or jointly with others, within 6 (six) months from the date fixed for the payment of such call, unless the Central Government has by notification in the Official Gazette removed the disqualification incurred by such failure; or

(vi) he absents himself from 3 (three) consecutive meetings of the Board or from all Meetings of the Board for a continuous period of 3 (three) months, whichever is longer, without obtaining leave of absence from the Board; or

(vii) he, (whether by himself or by any Person for his benefit or on his account), or any firm in which he is a partner, or any private company of which he is a director, accepts a loan, or any guarantee or security for a loan, from the Company, in contravention of Section 185 of the Act; or

(viii) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or

(ix) he acts in contravention of Section 184 of the Act; or

(x) he becomes disqualified by an order of the court under Section 203 of the Companies Act, 1956; or

(xi) he is removed in pursuance of Section 169 of the Act; or

(xii) he is disqualified under Section 164(2) of the Act.

Subject to the applicable provisions of the Act, a Director may resign his office at any time by notice in writing addressed to the Board and such resignation shall become effective upon its acceptance by the Board.

56. RELATED PARTY TRANSACTIONS

(a) Except with the consent of the Board, any Committee thereof or the Shareholders, as may be required in terms of the provisions of section 188 of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014, the company shall not enter into any contract or arrangement with a 'related party' with respect to: :

(i) sale, purchase or supply of any goods or materials;

(ii) selling or otherwise disposing of, or buying, property of any kind;

(iii) leasing of property of any kind;

(iv) availing or rendering of any services;

(v) appointment of any agent for purchase or sale of goods, materials, services or property;

(vi) such Director's or its relative's appointment to any office or place of profit in the company, its subsidiary company or associate company; and

(vii) underwriting the subscription of any securities or derivatives thereof, of the company:

(b) no Shareholder of the Company shall vote on such Special Resolution, to approve any contract or arrangement which may be entered into by the Company, if such Shareholder is a related party.

(c) nothing in this Article shall apply to any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis

(d) The terms "office of profit" and "arm's length basis" shall have the meaning ascribed to them under Section 188 of the Act.

(e) The term 'related party' shall have the same meaning as ascribed to it under the Act.

(f) The compliance of the Companies (Meetings of Board and its Powers) Rules, 2014 shall be made for the aforesaid contracts and arrangements.

57. DISCLOSURE OF INTEREST

(a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Act; Provided that it shall not be necessary for a Director to disclose his concern or interest in any such contract or arrangement entered into or to be entered into with any other company where any of the Directors of the company or two or more of them together holds or hold not more than 2% (two per cent) of the Paid-up Share Capital in the other company or the Company as the case may be. A general notice given to the Board by the Director, to the effect that he is a director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the Financial Year in which it is given but may be renewed for a further period of one Financial Year at a time by a fresh notice given in the last month of the Financial Year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

(b) No Director shall as a Director, take any part in the discussion of, vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangements; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided however that nothing herein contained shall apply to:-

(i) any contract or indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;

(ii) any contract or arrangement entered into or to be entered into with a public company or a private company which is subsidiary of a public company in which the interest of the Director consists solely,

1. in his being –

I. a director of such company, and

II. the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by this Company, or

2. in his being a shareholder holding not more than 2 (two) per cent of its Paid-up Share Capital.

Subject to the provisions of Section 188 of the Act and other applicable provisions, if any, of the Act, any Director of the Company, any partner or relative of such Director, any firm in which such Director or a relative of such Director is a partner, any private company of which such Director is a director or member, and any director or manager of such private company, may hold any office or place of profit in the Company.

(c) The Company shall keep a Register in accordance with Section 189 of the Act and shall within the time specified therein enter therein such of the particulars as may be. The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the bodies corporate and firms of which notice has been given by him under Article 57(a). The Register shall be kept at the Office of the Company and shall be open to inspection at such Office, and extracts may be taken therefrom and copies thereof may be required by any Shareholder of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 94 of the Act shall apply accordingly.

(d) A Director may be or become a Director of any Company promoted by the Company, or on which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as director or shareholder of such Company except in so far as Section 188 or Section 197 of the Act as may be applicable.

58. 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 Mr. Brij Bhushan Agarwal, Subscriber Director, 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 out of whom one third shall retire from office under this Article.

59. PROCEDURE, IF PLACE OF RETIRING DIRECTORS IS NOT FILLED UP

(a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.

(b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless:-

(i) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;

(ii) retiring Director has, by a notice in writing addressed to the Company or its Board , expressed his unwillingness to be so reappointed;

(iii) he is not qualified or is disqualified for appointment; or

(iv) a resolution whether special or ordinary is required for the appointment or reappointment by virtue of any applicable provisions of the Act.

60. REGISTER OF DIRECTORS ETC.

(a) The Company shall keep at its Office, a Register containing the particulars of its Directors, Managing Directors, Manager, Secretaries and other Persons mentioned in Section 170 of the Act and shall otherwise comply with the provisions of the said Section in all respects.

(b) The Company shall in respect of each of its Directors also keep at its Office a Register, as required by Section 170 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.

61. DISCLOSURE BY DIRECTOR OF APPOINTMENT TO ANY OTHER BODY CORPORATE.

Every Director shall in accordance with the provisions of Companies (Meeting of Board and its Powers) Rules, 2014 shall disclose his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association of individuals by giving a notice in accordance with such rules.

62. MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

Subject to the provisions of Section 203 of the Act and other applicable provisions of the Act and of these Articles, the Board may appoint from time to time one or more of their Directors to be the Managing Director or joint managing director or whole time director or deputy managing director or manager of the Company on such terms and on such remuneration (in any manner, subject to it being permissible under the Act) partly as the Board may think fit in accordance with the applicable provisions of the Act and the Rules thereunder. Subject to the provisions of the Act, the Managing Director or Joint Managing Director or Wholetime Director or Deputy Managing Director or Manager of the Company so appointed by the Board shall not while holding that office, be subject to retirement by rotation or taken into account in determining the rotation of retirement of directors, but their appointment shall be subject to determination ipso facto if they cease from any cause to be a director or if the company in General Meeting resolve that their tenure of the office of Managing Director or Joint Managing Director or Wholetime Director or Deputy Managing Director or Manager be determined.

63. PROVISIONS TO WHICH MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER ARE SUBJECT

Notwithstanding anything contained herein, a Managing Director(s) / whole time director(s) / executive director(s) / manager shall subject to the provisions of any contract between him and the Company be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he ceases to hold the office of a Director he shall ipso facto and immediately cease to be a Managing Director(s) / whole time director(s) / executive director(s) / manager, and if he ceases to hold the office of a Managing Director(s) / whole time director(s) / executive director(s)/ manager he shall ipso facto and immediately cease to be a Director.

64. REMUNERATION OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

The remuneration of the Managing Director(s) / whole time director(s) / executive director(s) / manager shall (subject to Sections 196, 197 and 203 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors, from time to time and may be by way of fixed salary and/or perquisites or commission or profits of the Company or by participation in such profits, or by any or all these modes or any other mode not expressly prohibited by the Act.

65. POWER AND DUTIES OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

Subject to the superintendence, control and direction of the Board, the day-to-day management of the Company shall be in the hands of the Managing Director(s)/ whole time director(s) / executive director(s)/ manager s in the manner as deemed fit by the Board and subject to the applicable provisions of the Act, and these Articles, the Board may by resolution vest any such Managing Director(s)/ whole time director(s) / executive director(s)/ manager with such of the powers hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to the applicable provisions of the Act, and these Articles confer such power either collaterally with or to the exclusion of or in substitution for all or any of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

66. POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING

The Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board: -

(a) to make calls on Shareholders in respect of money unpaid on their shares;

(b) to authorise buy-back of securities under Section 68 of the Act;

(c) to issue securities, including debentures, whether in or outside India;

(d) to borrow money(ies);

(e) to invest the funds of the Company;

(f) to grant loans or give guarantee or provide security in respect of loans;

(g) to approve financial statements and the Board's report;

(h) to diversify the business of the Company;

(i) to approve amalgamation, merger or reconstruction;

(j) to take over a company or acquire a controlling or substantial stake in another company;

(k) fees/ compensation payable to non-executive directors including independent directors of the Company; and

(l) any other matter which may be prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014 and the SEBI Listing Regulations.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the provisions of section 180 of the Act.

67. MAKING LIABILITY OF DIRECTORS UNLIMITED

The Company may, by Special Resolution in a General Meeting, alter its Memorandum of Association so as to render unlimited the liability of its Directors or of any Director or manager, in accordance with Section 323 of the Companies Act, 1956.

68. PROCEEDINGS OF THE BOARD OF DIRECTORS

(a) There shall be at least 4 (four) Board Meetings in any calendar year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board Meetings.

(b) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognising the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. However, such matters as provided under the Companies (Meetings of Board and its Powers) Rules, 2014 shall not be dealt with in a meeting through video conferencing or other audio visual means. Any meeting of the Board held through video conferencing or other audio visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.

(c) The Company Secretary or any other Director shall, as and when directed by the Chairman or a Director convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014.

(d) The Board may meet either at the Office of the Company, or at any other location in India or outside India as the Chairman or Director may determine.

(e) At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any emergency as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.

(f) At any Board Meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.

69. QUORUM FOR BOARD MEETING

(a) Quorum for Board Meetings

Subject to the provisions of Section 174 of the Act, the quorum for each Board Meeting shall be one-third of its total strength or two directors, whichever is higher, and the presence of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of calculating quorum.

If any duly convened Board Meeting cannot be held for want of a quorum, then such a meeting shall automatically stand adjourned for 7 (seven) days after the original meeting at the same time and place, or if that day is a national holiday, on the succeeding day which is not a public holiday to the same time and place. Provided however, the adjourned meeting may be held on such other date and such other place as may be unanimously agreed to by all the Directors in accordance with the provisions of the Act.

(b) If in the event of a quorum once again not being available at such an adjourned meeting, the Directors present shall constitute the quorum and may transact business for which the meeting has been called.

70. QUESTIONS AT THE BOARD MEETINGS HOW DECIDED

(a) Questions arising at any meeting of the Board, other than as specified in these Articles and the Act, if any, shall be decided by a majority vote. In the case of an equality of votes, the Chairman shall have a second or casting vote.

(b) No regulation made by the Company in General Meeting, shall invalidate any prior act of the Board, which would have been valid if that regulation had not been made.

71. ELECTION OF CHAIRMAN OF BOARD

(a) The Board may elect a chairman of its meeting and determine the period for which he is to hold office.

(b) If no such chairman is elected, or at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting the Directors present may choose one among themselves to be the chairman of the meeting.

72. POWERS OF THE BOARD

Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law: -

(a) The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the memorandum and articles of association of the Company.

(b) The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.

(c) Provided that the Board shall not, except with the consent of the Company by a Special Resolution:-

i. Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. The term 'undertaking' and the expression 'substantially the whole of the undertaking' shall have the meaning ascribed to them under the provisions of Section 180 of the Act;

ii. Remit, or give time for repayment of, any debt due by a Director;

iii. Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and

iv. Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of businesses), will exceed the aggregate of the paid-up capital of the Company and its free reserves.

73. COMMITTEES AND DELEGATION BY THE BOARD

The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the SEBI Listing Regulations. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the chief executive officer of the Company. The Managing Director(s), the executive director(s) or the manager or the chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.

Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or members of the Board as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under the last preceding Article.

The Board of the Company shall in accordance with the provisions of the Companies (Meetings of the Board and its Powers) Rules, 2014 or any other Law and the provisions of the SEBI Listing Regulations, form such committees as may be required under such rules in the manner specified therein, if the same are applicable to the Company.

74. ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT

All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director . Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

75. PASSING OF RESOLUTION BY CIRCULATION

No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft form, together with the necessary papers, if any, to all the Directors, or members of the Committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members of the Committee, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board.

A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting.

76. MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE BOARD

(a) The Company shall prepare minutes of each Board Meeting and the entries thereof in books kept for that purpose with their pages consecutively numbered. Such minutes shall contain a fair and correct summary of the proceedings conducted at the Board Meeting.

(b) The Company shall circulate the minutes of the meeting to each Director within 7 (seven) Business Days after the Board Meeting.

(c) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

(d) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(e) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat and shall also contain: -

(i) all appointments of Officers;

(ii) the names of the Directors present at each meeting of the Board;

(iii) all resolutions and proceedings of the meetings of the Board;

(iv) the names of the Directors, if any, dissenting from, or not concurring in, any resolution passed by the Board.

(f) Nothing contained in sub Articles (a) to (e) above shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting: -

(i) is or could reasonably be regarded as defamatory of any person;

(ii) is irrelevant or immaterial to the proceedings; or

(iii) is detrimental to the interests of the Company.

(g) The Chairman shall exercise absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the ground specified in sub Article (f) above.

(h) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

(i) The minutes kept and recorded under this Article shall also comply with the provisions of Secretarial Standard 3 issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and approved as such by the Central Government and applicable provisions of the Act and Law.

77. REGISTER OF CHARGES

The Directors shall cause a proper register to be kept, in accordance with the applicable provisions of the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the applicable provisions of the Act in regard to the registration of mortgages and charges therein specified.

78. CHARGE OF UNCALLED CAPITAL

Where any uncalled capital of the Company is charged as security or other security is created on such uncalled capital, the Directors may authorize, subject to the applicable provisions of the Act and these Articles, making calls on the Shareholders in respect of such uncalled capital in trust for the person in whose favour such charge is executed.

79. SUBSEQUENT ASSIGNS OF UNCALLED CAPITAL

Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charges and shall not be entitled to obtain priority over such prior charge.

80. CHARGE IN FAVOUR OF DIRECTOR FOR INDEMNITY

If the Director or any person, shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed, any mortgage, charge or security over or affecting the whole or part of the assets of the Company by way of indemnity to secure the Directors or other persons so becoming liable as aforesaid from any loss in respect of such liability.

81. OFFICERS

(a) The Company shall have its own professional management and such officers shall be appointed from time to time as designated by its Board. The officers of the Company shall serve at the discretion of the Board.

(b) The officers of the Company shall be responsible for the implementation of the decisions of the Board, subject to the authority and directions of the Board and shall conduct the day to day business of the Company.

(c) The officers of the Company shall be the Persons in charge of and responsible to the Company for the conduct of the business of the Company and shall be concerned and responsible to ensure full and due compliance with all statutory laws, rules and regulations as are required to be complied with by the Company and/or by the Board of the Company.

(d) Qualified experienced managerial and marketing executives and other officers shall be appointed for the operation and conduct of the business of the Company.

(e) The Board shall appoint with the approval of the Chairman, the President and/or Chief Executive Officer and/or Chief Operating Officer of the Company, as well as persons who will be appointed to the posts of senior executive management.

82. THE SECRETARY

(a) Subject to the provisions of Section 203 of the Act, the Board may, from time to time, appoint any individual as Secretary of the Company to perform such functions, which by the Act or these Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to him by the Board. The Board may confer upon the Secretary so appointed any powers and duties as are not by the Act or by these Articles required to be exercised by the Board and may from time to time revoke, withdraw, alter or vary all or any of them. The Board may also at any time appoint some individual (who need not be the Secretary), to maintain the Registers required to be kept by the Company.

(b) The Secretary shall be an individual responsible to ensure that there shall be no default, non-compliance, failure, refusal or contravention of any of the applicable provisions of the Act, or any rules, regulations or directions which the Company is required to conform to or which the Board of the Company are required to conform to and shall be designated as such and be the officer in default.

83. DIRECTORS' & OFFICERS' LIABILITY INSURANCE

Subject to the provisions of the Act and Law, the Company shall procure, at its own cost, comprehensive directors and officers liability insurance for each Director which shall not form a part of the remuneration payable to the Directors in the circumstances described under Section 197 of the Act: -

(a) on terms approved by the Board;

(b) which includes each Director as a policyholder;

(c) is from an internationally recognised insurer approved by the Board; and

(d) for a coverage for claims of an amount as may be decided by the Board, from time to time.

84. SEAL

(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board, previously given.

(b) The Company shall also be at liberty to have an official Seal(s) in accordance with Section 50 of the Companies Act, 1956, for use in any territory, district or place outside India.

(c) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two (2) directors and of the secretary or such other person as the Board may appoint for the purpose; and those two (2) directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

85. ACCOUNTS

(a) The Company shall prepare and keep at the Office books of accounts or other relevant books and papers and financial statements for every financial year which give a true and fair view of the state of affairs of the Company, including its branch office or offices, if any, and explain the transactions effected both at the Office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting.

(b) Where the Board decides to keep all or any of the books of account at any place other than the Office, the Company shall, within 7 (seven) days of the decision, file with the Registrar, a notice in writing giving the full address of that other place. The Company may also keep such books of accounts or other relevant papers in electronic mode in accordance with the provisions of the Act.

(c) The Company shall preserve in good order the books of account relating to a period of not less than eight years preceding the current year.

(d) When the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper books of account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to dates at intervals of not more than three months, are sent by the branch office to the Company at its office or at the other place in India, at which the Company's books of account are kept as aforesaid.

(e) No Shareholder (not being a Director) shall have any right of inspecting any account or books or documents of the Company except specified under the Act and Law.

(i) In accordance with the provisions of the Act, along with the financial statements laid before the Shareholders, there shall be laid a 'Board's report' which shall comply with the requirements of the Act, as amended from time to time and such other matters as may be prescribed under any other applicable Law, from time to time.

(f) All the aforesaid books shall give a fair and true view of the affairs of the Company or its branch office, as the case may be, with respect to the matters herein and explain its transactions.

86. AUDIT AND AUDITORS

(a) Auditors shall be appointed and their rights and duties shall be regulated in accordance with Sections 139 to 147 of the Act and as specified under Law.

(b) Every account of the Company when audited shall be approved by a General Meeting and shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected, and henceforth shall be conclusive.

(c) Every balance sheet and profit and loss account shall be audited by one or more Auditors to be appointed as hereinafter set out.

(d) Where at an Annual General Meeting, no Auditors are appointed, the Central Government may appoint a person to fill the vacancy and fix the remuneration to be paid to him by the Company for his services.

(e) The Company shall within 7 (seven) days of the Central Government's power under sub clause (b) becoming exercisable, give notice of that fact to the Government.

(f) The Directors may fill any casual vacancy in the office of an Auditor but while any such vacancy continues, the remaining auditors (if any) may act. Where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.

(g) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless special notice of a resolution of appointment of that person to the office of Auditor has been given by a Shareholder to the Company not less than 14 (fourteen) days before the meeting in accordance with Section 115 of the Act, and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the Shareholders in accordance with provisions of Section 115 of the Act and all the other provision of Section 140 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that a retiring auditor shall not be re-appointed.

(h) The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.

(i) None of the persons mentioned in Section 141 of the Act as are not qualified for appointment as auditors shall be appointed as Auditors of the Company.

87. AUDIT OF BRANCH OFFICES

The Company shall comply with the applicable provisions of the Act and the Companies (Audit and Auditor) Rules, 2014 in relation to the audit of the accounts of branch offices of the Company.

88. REMUNERATION OF AUDITORS

The remuneration of the Auditors shall be fixed by the Company as authorized in General Meeting from time to time in accordance with the provisions of the Act and the Companies (Audit and Auditor) Rules, 2014.

89. DOCUMENTS AND NOTICES

(a) A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either personally or by sending it by post to him to his registered address.

(b) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Shareholder has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due or by cable or telegram and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have effected in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted or after a telegram has been dispatched and in any case, at the time at which the letter would be delivered in the ordinary course of post or the cable or telegram would be transmitted in the ordinary course.

(c) A document or notice may be given or served by the Company to or on the joint-holders of a Share by giving or serving the document or notice to or on the joint-holder named first in the Register of shareholders in respect of the Share.

(d) Every person, who by operation of Law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which previous to his name and address being entered on the register of Shareholders, shall have been duly served on or given to the Person from whom he derives his title to such Share.

(e) Any document or notice to be given or served by the Company may be signed by a Director or the Secretary or some Person duly authorised by the Board for such purpose and the signature thereto may be written, printed, photostat or lithographed.

(f) All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same to the Company or officer at the Office by post under a certificate of posting or by registered post or by leaving it at the Office.

(g) Where a Document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a shareholder has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered email address, without acknowledgement due. Provided that the Company, shall provide each shareholder an opportunity to register his email address and change therein from time to time with the Company or the concerned depository. The Company shall fulfill all conditions required by Law, in this regard.

90. SHAREHOLDERS TO NOTIFY ADDRESS IN INDIA

Each registered Shareholder from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

91. SERVICE ON SHAREHOLDERS HAVING NO REGISTERED ADDRESS

If a Shareholder does not have registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighbourhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

92. SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF SHAREHOLDERS

A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Shareholders by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

93. PERSONS ENTITLED TO NOTICE OF GENERAL MEETINGS

Subject to the applicable provisions of the Act and these Articles, notice of General Meeting shall be given:

(i) To the Shareholders of the Company as provided by these Articles.

(ii) To the persons entitled to a share in consequence of the death or insolvency of a Shareholder.

(iii) To the Auditors for the time being of the Company; in the manner authorized by as in the case of any Shareholder of the Company.

94. NOTICE BY ADVERTISEMENT

Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the District in which the Office is situated.

95. DIVIDEND POLICY

(a) The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders in proportion to the amount of Capital Paid-up or credited as Paid-up and to the period during the year for which the Capital is Paid-up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid-up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.

(b) Subject to the provisions of Section 123 of the Act the Company in General Meeting may declare Dividends, to be paid to Shareholders according to their respective rights and interests in the profits. No Dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may, declare a smaller Dividend, and may fix the time for payments not exceeding 30 (thirty) days from the declaration thereof.

(c) (i) No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Actor out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both provided that: -

1. if the Company has not provided for depreciation for any previous Financial Year or years it shall, before declaring or paying a Dividend for any Financial Year provide for such depreciation out of the profits of that Financial Year or out of the profits of any other previous Financial Year or years, and

2. if the Company has incurred any loss in any previous Financial Year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years

whichever is less, shall be set off against the profits of the Company for the year for which the Dividend is proposed to be declared or paid or against the profits of the Company for any previous Financial Year or years arrived at in both cases after providing for depreciation in accordance with the provisions of Section 123 of the Actor against both.

(ii) The declaration of the Board as to the amount of the net profits shall be conclusive.

(d) The Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies.

(e) Where Capital is paid in advance of calls upon the footing that the same shall carry interest, such Capital shall not whilst carrying interest, confer a right to participate in profits or Dividend.

(f) (i) 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 Dividend is paid but if and so long as nothing is Paid upon any shares in the Company, Dividends may be declared and paid according to the amount of the shares.

(ii) No amount paid or credited as paid on shares in advance of calls shall be treated for the purpose of this regulation as paid on shares.

(iii) 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 shares are issued on terms providing that it shall rank for Dividend as from a particular date such shares shall rank for Dividend accordingly.

(g) Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividends payable upon shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.

(h) Any one of several Persons who are registered as the joint-holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.

(i) Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.

(j) Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.

(k) Unless otherwise directed any Dividend shall be paid through electronic mode of payment facility approved by the Reserve Bank of India. Where it is not possible to use electronic mode of payment, dividend may be paid by ‘payable at par’ cheques or warrants sent by post or courier or by any other legally permissible means to the registered address of the Shareholder or Person entitled or in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any Dividend lost to a Shareholder or Person entitled thereto, by a forged endorsement of any cheque or warrant or a forged signature on any pay slip or receipt of a fraudulent recovery of Dividend. If 2 (two) or more Persons are registered as joint-holders of any Share(s) any one of them can give effectual receipts for any money(ies) payable in respect thereof. Several Executors or Administrators of a deceased Shareholder in whose sole name any Share stands shall for the purposes of this Article be deemed to be joint-holders thereof.

(l) No unpaid Dividend shall bear interest as against the Company.

(m) Any General Meeting declaring a Dividend may on the recommendation of the Board, make a call on the Shareholders of such amount as the Meeting fixes, but so that the call on each Shareholder shall not exceed the Dividend payable to him, and so that the call will be made payable at the same time as the Dividend; and the Dividend may, if so arranged as between the Company and the Shareholders, be set-off against such calls.

(n) Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.

(o) The Company may pay dividends on shares in proportion to the amount paid-up on each Share in accordance with Section 51 of the Act.

96. UNPAID OR UNCLAIMED DIVIDEND

(a) If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank or private sector bank.

(b) Any money so 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 established under sub-section (1) of Section 125 of the Act, viz. "Investors Education and Protection Fund".

(c) No unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law and such forfeiture, if effected, shall be annulled in appropriate cases.

97. CAPITALIZATION OF PROFITS

The Company in General Meeting may, upon the recommendation of the Board, resolve:

(a) that it is desirable to capitalize 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 Company's profit and loss account or otherwise, as available for distribution, and

(b) that such sum be accordingly set free from distribution in the manner specified herein below in sub-article (c) as amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividends and in the same proportions.

(c) The sum aforesaid shall not be paid in cash but shall be applied either in or towards:

(i) paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively;

(ii) paying up in full, un-issued shares of the Company to be allotted, distributed and credited as fully Paid up, to and amongst such Shareholders in the proportions aforesaid; or

(iii) partly in the way specified in sub-article (i) and partly in the way specified in sub-article (ii).

(d) A share premium account may be applied as per Section 52 of the Act, and a capital redemption reserve account may, duly be applied in paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares.

98. RESOLUTION FOR CAPITALISATION OF RESERVES AND ISSUE OF FRACTIONAL CERTIFICATE

(a) Whenever such a Resolution as aforesaid shall have been passed, the Board shall:

(i) make all appropriation and applications of undivided profits (resolved to be capitalized thereby), and all allotments and issues of fully paid shares or Securities, if any; and

(ii) generally do all acts and things required to give effect thereto.

(b) The Board shall have full power:

i. to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fraction; and

ii. to authorize any person, on behalf of all the Shareholders entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any parts of the amounts remaining unpaid on the shares.

(c) Any agreement made under such authority shall be effective and binding on all such shareholders.

99. DISTRIBUTION OF ASSETS IN SPECIE OR KIND UPON WINDING UP

(a) In case of winding 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 shareholders, 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 shareholders or different classes of shareholders.

100. DIRECTOR'S AND OTHER'S RIGHTS TO INDEMNITY

Subject to the provisions of Section 197 of the Act, every Director, Manager and other officer or employee of the company shall be indemnified by the company against any liability incurred by him and it shall be the duty of the Directors to pay out the funds of the company all costs, losses and expenses which any director, Manager, officer or employee may incur or become liable to by reason of any contact entered into by him on behalf of the company or in any way in the discharge of his duties and in particular, and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, Manager, Officer or employee in defending any proceedings Whether civil or criminal in which judgement is given in his favour or he is acquitted or in connection with any application under Section 463 of the Act in which relief is granted by the court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the company and have priority as between the shareholders over all the claims.

101. DIRECTOR'S ETC. NOT LIABLE FOR CERTAIN ACTS

Subject to the provision of Section 197 of the Act, no Director, Manager, Officer or Employee of the company shall be liable for the acts, defaults, receipts and neglects of any other Director, Manager, Officer or employee or for joining in any receipts or other acts for the sake of conformity or for any loss or expenses happening to the company through the insufficiency or deficiency of any security in or upon which any of the monies of the company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any monies, securities or effects shall be deposited or for any loss occasioned by an error of judgement or oversight on his part , or for any other loss ,damage or misfortune whatsoever which shall happen in the execution thereof unless the same shall happen through negligence, default, misfeasance, breach of duty or breach of trust. Without prejudice to the generality foregoing it is hereby expressly declared that any filing fee payable or any document required to be filed with the registrar of the companies in respect of any act done or required to be done by any Director or other officer by reason of his holding the said office shall be paid and borne by the company.

102. INSPECTION BY SHAREHOLDERS

The register of charges, register of investments, register of shareholders, books of accounts and the minutes of the meeting of the board and shareholders shall be kept at the office of the company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the board determines for inspection of any shareholder without charge. In the event such shareholder conducting inspection of the abovementioned documents requires extracts of the same, the company may charge a fee which shall not exceed Rupees ten per page or such other limit as may be prescribed under the Act or other applicable provisions of law.

103. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION

(a) The shareholders shall vote for all the equity shares owned or held on record by such shareholders at any annual or extraordinary General meeting of the company in accordance with these Articles.

(b) The shareholders shall not pass any resolution or take any decision which is contrary to any of the terms of these Articles.

(c) The Articles of the company shall not be amended unless Shareholders holding not less than 75% of the Equity shares (and who are entitled to attend and vote) cast votes in favour of each such amendment/s to the Articles.

104. SECRECY

No shareholder shall be entitled to inspect the company's work without permission of the managing Director/Directors or to require discovery of any information respectively any details of company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the company and which in the opinion of the managing Director/Directors will be inexpedient in the interest of the shareholders of the company to communicate to the public.

105. DUTIES OF THE OFFICER TO OBSERVE SECRECY

Every Director, managing Directors, manager, Secretary, Auditor, Trustee, members of the committee, officer, servant, agent, accountant or other persons employed in the business of the company shall, if so required by the Director before entering upon his duties, or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the company and the state of accounts and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required so to do by the Directors or the Auditors, or by resolution of the company in the general meeting or by a court of law and except so far as may be necessary in order to comply with any of the provision of these Articles or Law. Nothing herein contained shall affect the powers of the Central Government or any officer appointed by the government to require or to hold an investigation into the company's affair.

106. PROVISIONS OF THE COMPANIES ACT, 1956 SHALL CEASE TO HAVE EFFECT

Notwithstanding anything contained in these Articles, the provisions of the Companies Act, 1956, as are mentioned under these articles shall cease to have any effect once the said provisions are repealed upon notification of the corresponding provisions under the Act.

SECTION XI: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

A. Material Contracts for the Offer

1. Offer agreement dated February 25, 2021, between our Company, the Selling Shareholders and the BRLMs;

2. Registrar agreement dated February 23, 2021, amongst our Company and the Registrar to the Offer;

3. Cash escrow and sponsor bank agreement dated [●] amongst our Company, the Registrar to the Offer, the BRLMs, the Escrow Collection Bank(s), Public Offer Account Bank(s), Sponsor Bank and the Refund Bank(s);

4. Share escrow agreement dated [●] entered into amongst the Selling Shareholders, our Company and a share escrow agent.

5. Syndicate agreement dated [●] amonst our Company, the BRLMs, the Syndicate Members and the Registrar to the Offer;

6. Underwriting agreement dated [●] amongst our Company and the Underwriters;

7. Monitoring agency agreement dated [●] amongst our Company and the Monitoring Agency.

B. Material Documents

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time;

2. Certificate of incorporation dated December 10, 2002;

3. Fresh certificate of incorporation dated January 5, 2010 issued by RoC at the time of conversion of name from Shyam DRI Power Limited to Shyam Metalics and Energy Limited;

4. Resolutions of the Board of Directors dated February 12, 2021, and February 18, 2021, in relation to the Offer and other related matters;

5. Resolution of the IPO Committee dated February 25, 2021, approving this Draft Red Herring Prospectus for filing with SEBI and Stock Exchanges.

6. Shareholders' resolution dated February 19, 2021, in relation to this Offer and other related matters;

7. Consent Letters from Subham Capital, Subham Buildwell, Kalpataru Housefin, Narantak Dealcomm, Dorite Tracon and Toplight Mercantiles each dated February 17, 2021, and the resolutions passed at each of the meetings of their board of directors held on February 17, 2021, in relation to the Offer for Sale for the portion of the Equity Shares offered by it.

8. Examination reports dated February 23, 2021, of our Statutory Auditors on our Restated Financial Statements, included in this Draft Red Herring Prospectus;

9. Agreement dated October 1, 2019, entered into between our Company and Brij Bhushan Agarwal;

10. Agreement dated July 14, 2019, entered into between our Company and Deepak Kumar Agarwal;

11. Copies of the annual reports of the Company for the Fiscal Years 2020, 2019 and 2018

12. The statement of special tax benefits dated February 24, 2021, from the Statutory Auditors;

13. Due diligence certificate dated February 25, 2021, addressed to the SEBI from the BRLMs;

14. In principle listing approvals dated [●] and [●] issued by BSE and NSE, respectively;

15. Consent of the Directors, the BRLMs, the Syndicate Members, the Legal Counsel to our Company, Legal Counsel to the BRLMs as to Indian Law, International Legal Counsel to the BRLMs, the Advisors to the Company, the Registrar to the Offer, the Escrow Collection Bank(s), Refund Banks(s), Sponsor Bank, Public Offer Account Bank, the Bankers to our Company, the Company Secretary and Compliance Officer, the Monitoring Agency and the Chief Financial Officer, to act in their respective capacities;

16. Consent of Statutory Auditors, S K Agrawal and Co Chartered Accountants LLP, to include their name in this Draft Red Herring Prospectus and as an "Expert" defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013, in respect of the reports of the Auditors on the Restated Financial Statements dated February 23, 2021, and the statement of special tax benefits dated February 24, 2021, included in this Draft Red Herring Prospectus but not construing to be "experts" as defined under the Securities Act;

17. Consent of Kalyan Bhattacharya, Chartered Engineer, to include his name in this Draft Red Herring Prospectus and as an "Expert" defined under Section 2(38) of the Companies Act, 2013 in respect of the certificate dated February 15, 2021;

18. Consent from CRISIL dated February 18, 2021, to include contents or any part thereof from their report titled "*Market Assessment and outlook across Steel Industry value chain*" dated February 2021 in this Draft Red Herring Prospectus;

19. Report titled "*Market Assessment and outlook across Steel Industry value chain*" dated February 2021, prepared and issued by CRISIL;

20. Tripartite agreement dated June 14, 2018 between our Company, NSDL and the Registrar to the Offer;

21. Tripartite agreement dated July 16, 2018 between our Company, CDSL and the Registrar to the Offer;

22. Shyam Metalics Employees Stock Option Growth Plan 2018; and Shyam Metalics Employees Stock Option Loyalty Plan 2018;

23. Joint venture agreement dated November 12, 2007 between our Company, Mahanadi Coalfields Limited, JSW Steel Limited, JSW Energy Limited and Jindal Stainless Limited;

24. SEBI's observation letter number [●] dated [●];

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 with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI established under Section 3 of the SEBI Act, 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, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Mahabir Prasad Agarwal
Chairman

Place: Kolkata
Date: February 25, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI established under Section 3 of the SEBI Act, 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, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Brij Bhushan Agarwal
Vice Chairman and Managing Director

Place: Kolkata
Date: February 25, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI established under Section 3 of the SEBI Act, 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, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Sanjay Kumar Agarwal
Joint Managing Director

Place: Kolkata
Date: February 25, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI established under Section 3 of the SEBI Act, 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, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Deepak Kumar Agarwal
Whole-time Director

Place: Kolkata
Date: February 25, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI established under Section 3 of the SEBI Act, 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, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Bhagwan Shaw
Whole-time Director

Place: Kolkata
Date: February 25, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI established under Section 3 of the SEBI Act, 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, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Dev Kumar Tiwari
Whole-time Director

Place: Kolkata
Date: February 25, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI established under Section 3 of the SEBI Act, 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, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Venkata Krishna Nageswara Rao Majji
Independent Director

Place: Kolkata
Date: February 25, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI established under Section 3 of the SEBI Act, 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, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Rajni Mishra
Independent Director

Place: Kolkata
Date: February 25, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI established under Section 3 of the SEBI Act, 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, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Yudhvir Singh Jain
Independent Director

Place: Kolkata
Date: February 25, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI established under Section 3 of the SEBI Act, 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, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Ashok Kumar Jaiswal
Independent Director

Place: Kolkata
Date: February 25, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI established under Section 3 of the SEBI Act, 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, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Ajay Choudhury
Independent Director

Place: Kolkata
Date: February 25, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI established under Section 3 of the SEBI Act, 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, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Kishan Gopal Baldwa
Independent Director

Place: Kolkata
Date: February 25, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, 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, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

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Shree Kumar Dujari
Chief Financial Officer

Place: Kolkata
Date: February 25, 2021

DECLARATION BY SUBHAM CAPITAL PRIVATE LIMITED, AS A PROMOTER SELLING SHAREHOLDER

We, Subham Capital Private Limited, acting as a Promoter Selling Shareholder, hereby certify and confirm that all statements, disclosures and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus in relation to ourselves, as a Promoter Selling Shareholder and our respective portion of the Offered Shares, are true and correct. We assume no responsibility, as a Promoter Selling Shareholder, for any other statements, including statements made by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF SUBHAM CAPITAL PRIVATE LIMITED

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Name: Brij Bhushan Agarwal
Designation: Director

Place: Kolkata
Date: February 25, 2021

DECLARATION BY SUBHAM BUILDWELL PRIVATE LIMITED, AS A PROMOTER SELLING SHAREHOLDER

We, Subham Buildwell Private Limited, acting as a Promoter Selling Shareholder, hereby certify and confirm that all statements, disclosures and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus in relation to ourselves, as a Promoter Selling Shareholder and our respective portion of the Offered Shares, are true and correct. We assume no responsibility, as a Promoter Selling Shareholder, for any other statements, including statements made by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF SUBHAM BUILDWELL PRIVATE LIMITED

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Name: Aditya Vimalkumar Agrawal
Designation: Director

Place: Kolkata
Date: February 25, 2021

DECLARATION BY KALPATARU HOUSEFIN & TRADING PRIVATE LIMITED, AS A PROMOTER SELLING SHAREHOLDER

We, Kalpataru Housefin & Trading Private Limited, acting as a Promoter Selling Shareholder, hereby certify and confirm that all statements, disclosures and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus in relation to ourselves, as a Promoter Selling Shareholder and our respective portion of the Offered Shares, are true and correct. We assume no responsibility, as a Promoter Selling Shareholder, for any other statements, including statements made by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF KALPATARU HOUSEFIN & TRADING PRIVATE LIMITED

Name: Sanjay Kumar Agarwal
Designation: Director

Place: Kolkata
Date: February 25, 2021

DECLARATION BY DORITE TRACON PRIVATE LIMITED, AS A PROMOTER SELLING SHAREHOLDER

We, Dorite Tracon Private Limited, acting as a Promoter Selling Shareholder, hereby certify and confirm that all statements, disclosures and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus in relation to ourselves, as a Promoter Selling Shareholder and our respective portion of the Offered Shares, are true and correct. We assume no responsibility, as a Promoter Selling Shareholder, for any other statements, including statements made by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF DORITE TRACON PRIVATE LIMITED

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Name: Brij Bhushan Agarwal
Designation: Director

Place: Kolkata
Date: February 25, 2021

DECLARATION BY NARANTAK DEALCOMM LIMITED, AS A PROMOTER SELLING SHAREHOLDER

We, Narantak Dealcomm Limited, acting as a Promoter Selling Shareholder, hereby certify and confirm that all statements, disclosures and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus in relation to ourselves, as a Promoter Selling Shareholder and our respective portion of the Offered Shares, are true and correct. We assume no responsibility, as a Promoter Selling Shareholder, for any other statements, including statements made by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF NARANTAK DEALCOMM LIMITED

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Name: Mahabir Prasad Agarwal
Designation: Director

Place: Kolkata
Date: February 25, 2021

DECLARATION BY TOPLIGHT MERCANTILES PRIVATE LIMITED, AS A PROMOTER SELLING SHAREHOLDER

We, Toplight Mercantiles Private Limited, acting as a Promoter Selling Shareholder, hereby certify and confirm that all statements, disclosures and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus in relation to ourselves, as a Promoter Selling Shareholder and our respective portion of the Offered Shares, are true and correct. We assume no responsibility, as a Promoter Selling Shareholder, for any other statements, including statements made by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF TOPLIGHT MERCANTILES PRIVATE LIMITED

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Name: Mittu Agarwal
Designation: Director

Place: Kolkata
Date: February 25, 2021