



**Draft Letter of Offer**  
**September 06, 2025**  
**(For Eligible Shareholders Only)**

**ASHNISHA INDUSTRIES LIMITED**

Our Company was originally incorporated under the provisions of The Companies Act, 1956 as 'Ashnisha Alloys Private Limited' on 27th July, 2009, with the Registrar of Companies, Gujarat. However, Company subsequently converted into public company. The company was converted from Private Limited to Public Limited on March 14, 2017 and consequently the name of the company was changed from 'Ashnisha Alloys Private Limited' to 'Ashnisha Alloys Limited'. Thereafter the name of the company was changed to "Ashnisha Industries Limited" pursuant to a special resolution passed in an extra-ordinary general meeting of our shareholders dated March 22, 2017 and a fresh certificate of incorporation issued by dated March 29, 2017, consequent on such change of name was issued to our Company by the Registrar of Companies, Ahmedabad, Gujarat.

**Corporate Identification Number: L74110GJ2009PLC057629;**

**Registered Office: 7<sup>th</sup> Floor, Ashoka Chambers, Opp. HCG Hospital Mithkhali Six Roads, Ahmedabad, Gujarat, India, 380006;**

**Contact Number: +079- 26463227; Contact Person: Ms. Payal Punit Pandya– Company Secretary and Compliance Officer;**

**Email-ID ashnishalimited@gmail.com Website:www.ashnisha.in**

**FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY**  
**THE PROMOTERS OF OUR COMPANY ARE ASHOK CHINUBHAI SHAH,SHALIN ASHOK SHAH AND**  
**LEENA ASHOK SHAH**  
**THE PROMOTERS GROUP ARE RHETAN TMT LIMITED,ASHOKA METCAST LIMITED AND**  
**LESHA VENTURES PRIVATE LIMITED**

Rights Issue of up to [●] Paid Equity Shares with a face value of ₹ 1.00 each for cash at an issue price of ₹ [●] (Rupees [●]) per Equity Share (including a premium of ₹ [●] (Rupees [●] Only) per Equity Share) ('Issue Price') ('Right Shares') for an amount of ₹ [●] (Rupees [●] Only) on a Rights Issue basis to the Eligible Equity Shareholders of ASHNISHA INDUSTRIES LIMITED ('Issuer Company') in the ratio of [●] Rights Share for every [●] Equity Share held by such Eligible Equity Shareholders as on [●] being the Record Date ('Rights Issue'). For further details, kindly refer to the section titled 'Terms of The Issue' beginning on page no 84 of this Draft Letter of Offer.

Assuming full subscription in this Rights Issue.

**ISSUE PRICE**

The Issue Price is [●] times the face value of the Equity Share.

**PAYMENT SCHEDULE FOR THE RIGHTS EQUITY SHARES**

AMOUNT PAYABLE PER RIGHTS EQUITY SHARE	Face Value	Premium	Total
On Application 100%	₹ 1.00/-	₹ [●]	₹ [●]

Assuming full amount received on application with respect to Rights Equity Shares. For details, please refer to "Terms of Payment" on page no.84.

**WILFUL DEFAULTERS OR FRAUDULENT BORROWERS**

We hereby confirm that neither our Company, nor our Promoter or members of Promoter Group, Directors, have been categorized as wilful defaulters or fraudulent borrowers by any banks or financial institutions (as defined under Companies Act) or consortium thereof, in accordance with the guidelines issued by the Reserve Bank of India, as on date of this Draft Letter of Offer.

**GENERAL RISK**

Investment in equity and equity-related securities involves a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue including the risks involved. The Rights Equity Shares have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. Investors are advised to refer to 'Risk Factors' beginning on page 18 of this Draft Letter of Offer before investing in the Issue.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Specific attention of investors is invited to the section "Risk Factors" beginning on page 18.

**LISTING**

The existing Equity Shares of our Company are listed and traded on the BSE Limited. Our Company has received in-principal approval from BSE Limited for listing of the Right Shares pursuant to their letters dated [●]. For the purposes of the Issue, the Designated Stock Exchange is BSE Limited, respectively. Our Company will also make applications to BSE to obtain trading approvals for the Rights Entitlements as required under the SEBI ICDR Master Circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, subsequent amendment and circular and including latest SEBI ICDR Circular bearing reference number SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/31 dated March 11, 2025. For the purposes of the Issue, the Designated Stock Exchange is BSE.

**REGISTRAR TO THE ISSUE**

**BANKERS TO THE ISSUE/REFUND BANKER**



**Purva Share Registry (India) Private Limited**  
9 Shiv Shakti Industrial Estate, J R Boricha Marg, Lower Parel (E), Mumbai,  
Maharashtra, 400011  
**Telephone: 022-3199 8810 /4961 4132 /4970 0138**  
**Email: support@purvashare.com; Website: https://www.purvashare.com**  
**Investor grievance e-mail: newissue@purvashare.com;**  
**Contact Person: Deepali Dhuri, Compliance Officer**  
**SEBI Registration No.: INR000001112; Validity of Registration: Permanent**



ICICI Bank Ltd  
ICICI Bank Ltd, 227, Ground Floor, G2A, Nariman Bhavan, Nariman Point, Mumbai,  
Maharashtra, Mumbai, Maharashtra, 400021  
Tel No: +022 66818911/923  
Email Id: ipocmg@icicibank.com  
Website: [www.icicibank.com](http://www.icicibank.com)

**ISSUE SCHEDULE**

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	[●]
DATE OF OPENING OF THE ISSUE	[●]
LAST DATE FOR ON-MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS*	[●]
DATE OF CLOSING OF THE ISSUE**	[●]
DATE OF FINALIZATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF CREDIT OF RIGHTS EQUITY SHARES (ON OR ABOUT)	[●]
DATE OF LISTING (ON OR ABOUT)	[●]

\*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

\*\*Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

## Contents

<b>SECTION I - GENERAL.....</b>	<b>3</b>
<b>DEFINITIONS AND ABBREVIATIONS.....</b>	<b>3</b>
<b>NOTICE TO OVERSEAS INVESTORS .....</b>	<b>10</b>
<b>PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA.....</b>	<b>12</b>
<b>FORWARD LOOKING STATEMENTS .....</b>	<b>14</b>
<b>SECTION II – SUMMARY OF THE DRAFT LETTER OF OFFER.....</b>	<b>15</b>
<b>SECTION III – RISK FACTORS .....</b>	<b>18</b>
<b>SECTION IV – INTRODUCTION .....</b>	<b>30</b>
<b>THE ISSUE .....</b>	<b>30</b>
<b>GENERAL INFORMATION .....</b>	<b>32</b>
<b>CAPITAL STRUCTURE.....</b>	<b>36</b>
<b>SECTION V – PARTICULARS OF THE ISSUE.....</b>	<b>39</b>
<b>OBJECTS OF THE ISSUE.....</b>	<b>39</b>
<b>STATEMENT OF TAX BENEFITS.....</b>	<b>46</b>
<b>SECTION VI – ABOUT OUR COMPANY .....</b>	<b>51</b>
<b>INDUSTRY OVERVIEW .....</b>	<b>51</b>
<b>BUSINESS OVERVIEW .....</b>	<b>61</b>
<b>HISTORY AND CORPORATE STRUCTURE .....</b>	<b>63</b>
<b>OUR MANAGEMENT .....</b>	<b>65</b>
<b>SECTION – VII – FINANCIAL INFORMATION .....</b>	<b>73</b>
<b>SECTION VIII – GOVERNMENT APPROVALS AND LICENSING ARRANGEMENT.....</b>	<b>77</b>
<b>GOVERNMENT AND OTHER APPROVALS .....</b>	<b>77</b>
<b>OTHER REGULATORY AND STATUTORY DISCLOSURES.....</b>	<b>79</b>
<b>SECTION IX – ISSUE INFORMATION.....</b>	<b>84</b>
<b>TERMS OF THE ISSUE.....</b>	<b>84</b>
<b>RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES .....</b>	<b>112</b>
<b>RESTRICTIONS ON PURCHASES AND REALES .....</b>	<b>113</b>
<b>SECTION X – OTHER INFORMATION .....</b>	<b>117</b>
<b>MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION .....</b>	<b>117</b>
<b>DECLARATION .....</b>	<b>118</b>

## SECTION I - GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

*This Draft Letter of Offer uses the definitions and abbreviations set forth below, which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, or policies shall be to such legislation, act, regulation, rules, guidelines, or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to 'the/our Company', 'we', 'our', 'us', or similar terms are to **Ashnisha Industries Limited** as the context requires, and references to 'you' are to the Eligible Shareholders and/ or prospective Investors in this Right Issue of Equity Shares.*

*The words and expressions used in this Draft Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in section titled '**Industry Overview**', '**Statement of Tax Benefits**', '**Financial Information**', and '**Terms of the Issue**' on page 51, 46, 73, and 84 respectively, shall have the meaning given to such terms in such sections.*

#### CONVENTIONAL/ GENERAL TERMS

Term	Description
AY	Assessment Year;
AoA/ Articles of Association	The Articles of Association of Ashnisha Industries Limited, as amended from time to time;
Audit Committee	The committee of the Board of Directors constituted as our Company's audit committee in accordance with the provisions of Section 177 of the Companies Act and Regulation 18 of the SEBI (LODR) Regulations, and as described in the section titled ' <b>Our Management</b> ' beginning on page 65 of this Draft Letter of Offer;
Audited Financial Statements	The audited financial statements of our Company prepared in accordance with Indian Accounting Standards for the Financial Year ending March 31, 2025, March 31, 2024;
Auditors/ Statutory Auditors/ Peer Review Auditor	The current statutory auditors of our Company M/s. GMCA & Co., Chartered Accountants;
Board of Directors/ Board	Board of Directors of our Company;
Companies Act	The Companies Act, 2013 and rules issued thereunder, as amended;
Compliance Officer	The Company Secretary of our Company, being Ms. Payal Punit Pandya, will be the compliance officer for this Right Issue
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, being Mr. Hirenkumar Tribhovandas Makwana;
Director(s)	Ashok Chinubhai Shah, Shalin Ashok Shah, Deepti Ghanshyam Gavali, Yash Vishwanath Bodade, Swapnil Sharad Shimpi and Umangkumar Hirabhai Patel
Eligible Shareholder(s)	Eligible holder(s) of the Equity Shares of Ashnisha Industries Limited as on the Record Date;
Executive Director	Executive director(s) on our Board, please refer to section titled ' <b>Our Management</b> ' beginning on page 65 of this Draft Letter of Offer;
Equity Shares	Equity shares of the Company having face value of ₹1.00 (Rupees One Only);
Independent Director	Independent directors on the Board and eligible to be appointed as an Independent Director under the provisions of Companies Act and SEBI (LODR) Regulations. For details of the Independent Directors, please refer to section titled ' <b>Our Management</b> ' beginning on page 65 of this Draft Letter of Offer;
ISIN	International Securities Identification Number being INE694W01024;
Key Management Personnel /KMP	Key management personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013. For details, please refer to section titled ' <b>Our Management</b> ' beginning on page 65 of this Draft Letter of Offer;

Term	Description
Materiality Policy	The policy adopted by our Board of Directors of the Company, for identification of group companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI (ICDR) Regulations.
MoA/ Memorandum of Association	The Memorandum of Association of Ashnisha Industries Limited, as amended from time to time;
Nomination and Remuneration Committee	The Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations 2015.
Promoters	Mr. Ashok Chinubhai Shah, Mr. Shalin Ashok Shah and Mrs. Leena Ashok Shah.
Promoter Group	LESHA VENTURES PRIVATE LIMITED, RHETAN TMT LTD and ASHOKA METCAST LIMITED Persons and entities forming part of the promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations and as disclosed by our Company in the filings made with BSE under the SEBI (LODR) Regulations;
Registered Office	7th Floor, Ashoka Chambers, Opp. HCG Hospital Mithakhali Six Roads, Ahmedabad- 380006, Gujarat, India,
Rights Issue Committee	For the purpose of this Rights Issue, the Board of Directors of the Company, has formulated a committee comprising of Mr. Shalin Ashok Shah, as the Chairman, with Mr. Ashok Chinubhai Shah and Mr. Swapnil Sharad Shimpi, being the members of the said committee.
Ashnisha Industries Limited/ the Company/ our Company	Ashnisha Industries Limited, a public limited company incorporated under the provisions of the Companies Act, 1956, as amended from time to time;
Stakeholders' Relationship Committee	The committee of the Board of Directors constituted as our Company's Stakeholders' Relationship Committee in accordance with Section 178 of the Companies Act, 2013;
Stock Exchange/ Designated Stock Exchange	BSE Limited;

#### TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
B2B	Business-to-business
B2C	Business-to-consumer
CAGR	Compound Annual Growth Rate;
CE	Capital Economics;
CII	The Confederation of Indian Industry;
DPIIT	Department for Promotion of Industry and Internal Trade
EDP	Entrepreneurship Development Programme;
FDI	Foreign Direct Investment;
FICCI	Federation of Indian Chambers of Commerce and Industry;
FIPB	Foreign Investment Promotion Board;
FY	Financial Year;
GDP	Gross Domestic Product;
GMP	Good Manufacturing Practices;
GST	Goods and Services Tax;
HRD	Human Resource Development;
ICE	Internal combustion engine
IBEF	India Brand Equity Foundation;
IMF	International Monetary Fund;
ISO	International Organization for Standardization;
JV	Joint Venture;
M&A	Mergers and Acquisitions;
MNC	Multi National Company;
MOUs	Memoranda of Understanding;
NABARD	National Bank for Agriculture and Rural Development;
NOC	No Objection Certificate;
OECD	Organisation for Economic Cooperation and Development;
OEM	Original equipment manufacturers;
OHSAS	Occupational health and safety assessment series;
One Million	Ten Lakhs;
One Billion	Ten Thousand Lakhs;

Term	Description
One Trillion	One Crore Lakhs;
PE	Private Equity;
POS	Point of Sale;
SEZ	Special Economic Zone;
Sq. ft.	Square Foot;
TQM	Total Quality Management;
USA	United States of America;
USD	United States Dollar;
WEO	World Economic Outlook

## ISSUE RELATED TERMS

Term	Description
Additional Rights Shares	The Rights Shares applied or allotted under this Issue in addition to the Rights Entitlement;
Allot/Allotment/Allotted	Unless the context requires, the allotment of Right Equity Shares pursuant to the Issue;
Allotment Account	The account opened with the Banker(s) to the Issue, into which the Application Money lying to the credit of the escrow account(s) and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40 (3) of the Companies Act;
Allotment Account Bank	The bank which is a clearing member and registered with SEBI as bankers to an issue and with whom the Allotment Account will be opened, in this case being, [●]
Allotment Advice	Note, advice, or intimation of Allotment sent to each successful Investors who have been or is to be Allotted the Rights Shares pursuant to this Issue after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottees	Persons to whom Right Equity Shares are issued pursuant to the Issue;
Applicant(s)/ Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to the Issue in terms of this Draft Letter of Offer/Letter of Offer, being an ASBA Investor;
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process to subscribe to the Equity Shares at the Issue Price;
Application Form	Unless the context otherwise requires, an application form made available through the website of the SCSBs (if made available by such SCSBs) under the ASBA process used by an Investor to make an application for the Allotment of Equity Shares in the Issue;
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price;
Application Supported by Blocked Amount or ASBA	Application (whether physical or electronic) used by ASBA Investors to make an application authorizing the SCSB to block the Application Money in the ASBA Account maintained with such SCSB;
ASBA Account	Account maintained with a SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Equity Shareholders, as the case may be;
ASBA Applicant /ASBA Investor	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including Renounces) shall make an application for a Rights Issue only through ASBA facility;
ASBA Bid	Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI (ICDR) Regulations;
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011, and the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020;
Bankers to the Issue/ Refund Bank	Collectively, the Escrow Collection Bank and the Refund Banks to the Issue, in this case being ICICI Bank Limited
Bankers to the Issue Agreement	Agreement dated 24 <sup>th</sup> April, 2025 entered into by ICICI Bank Limited and amongst our Company, the Registrar to the Issue and the Bankers to the Issue for collection of the Application Money, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable, refunds of the amounts collected from Applicants/Investors and providing such other facilities and services as specified in the agreement;



Term	Description
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in the Issue, and which is described in ' <i>Terms of the Issue</i> ' beginning on page 84 of this Draft Letter of Offer;
Consolidated Certificate	The certificate that would be issued for Rights Equity Shares Allotted to each folio in case of Eligible Equity Shareholders who hold Equity Shares in physical form;
Controlling Branches/ Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Registrar to the Issue and the Stock Exchanges, a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> ;
Demographic Details	Details of Investors including the Investor's address, name of the Investor's father/ husband, investor status, occupation and bank account details, where applicable;
Designated SCSB Branches	Self-certified syndicate banks registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or such other website as updated from time to time.
Designated Stock Exchange	BSE Limited;
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996;
Draft Letter of Offer/ DLoF	This draft letter of offer dated 6 <sup>th</sup> September, 2025, filed with BSE Limited in accordance with the SEBI (ICDR) Regulations, for their observations and in-principal approval;
Escrow Account(s)	One or more no-lien and non-interest-bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors making an application;
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being ICICI Bank Limited
Issue/ Rights Issue	Rights Issue of [●] Equity Shares of face value of ₹[●] (Rupees [●] Only) each of our Company for cash at a price of ₹[●] (Rupees [●] Only) per Rights Equity Share totalling to ₹ 4923.75 lakhs/- (Rupees Forty Nine Crore Twenty Three lakhs Seventy Five Thousand Only) on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] for every [●] held by the Eligible Equity Shareholders of our Company on the Record Date i.e. [●]
Issue Closing Date	[●]
Issue Materials	The Letter of Offer, Rights Entitlement Letter, Application Forms, including any notices, corrigendum thereto;
Issue Opening Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/ Investors can submit their applications, in accordance with the SEBI (ICDR) Regulations;
Issue Price	₹[●]/- (Rupees [●] Only) including a premium of ₹[●] (Rupees [●] Only) per Right Equity Share issued in the ratio of [●] Rights Share for every [●] Equity Share held;
Issue Proceeds	The proceeds of the Issue that are available to our Company;
Issue Shares	Up to [●] Rights Shares;
Issue Size	Amount aggregating up to ₹ 4923.75 lakhs/- (Rupees Forty Nine Crore Twenty Three lakhs Seventy Five Thousand Only) ( <i>Assuming full subscription with respect to Rights Shares</i> );
Letter of Offer/ LoF	The final letter of offer to be filed with BSE Limited after incorporating the observations received from BSE Limited on the Draft Letter of Offer;
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application;
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, see ' <i>Objects of the Issue</i> ' beginning on page 39 of this Draft Letter of Offer;
Non-ASBA Investor/ Non-ASBA Applicant	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process comprising Eligible Equity Shareholders holding Equity Shares in physical form or who intend to renounce their Rights Entitlement in part or full and Renounces;
Non-Institutional Investors/ NIIs	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1) (jj) of the SEBI (ICDR) Regulations;
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights

Term	Description
	Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws;
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before [●];
Payment Schedule	Payment schedule under which full amount of the Issue Price is payable on Application, i.e., ₹[●](Rupees [●]Only) per Rights Share.
Physical Equity Shareholders	Eligible Equity Shareholders holding Equity Shares in physical form shall be termed as Physical Equity Shareholders;
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI (ICDR) Regulations;
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, being [●];
Refund Bank	The Banker to the Issue with the Refund Account will be opened, in this case being [●];
Refund through electronic transfer of Funds	Refunds through NECS, Direct Credit, RTGS, NEFT or ASBA process, as applicable;
Registrar to the Issue	Purva Sharegistry (India) Private Limited.;
Registrar Agreement	Agreement dated 24 <sup>th</sup> April, 2025 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue;
Renounces	Any persons who have acquired Rights Entitlements from the Equity Shareholders through renunciation;
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date i.e. [●]. Such period shall close on [●] in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date I.e. [●];
Retail Individual Investors/ RIIs	Individual Investors who have applied for Equity Shares for an amount not more than ₹2,00,000.00/- (Indian Rupees Two Lakhs) (including HUFs applying through their Karta);
Rights Entitlement (s)/ REs	The number of Right Shares that an Investor is entitled to in proportion to the number of Equity Shares held by the Investor on the Record Date, in this case being [●], [●] Right Equity Shares for every [●] Equity Shares held by an Eligible Equity Shareholder; The Rights Entitlements with a separate ISIN [●] will be credited to your demat account before the date of opening of the Issue, against the Equity Shares held by the Equity Shareholders as on the Record Date, pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date; The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by such Eligible Equity Shareholder on the Record Date.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements are also accessible and on the website of our Company;
Rights Shares	Equity shares of our Company to be Allotted pursuant to this Rights Issue, on fully paid-up basis on Allotment;
Self-Certified Syndicate Banks/ SCSB(s)	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> ;
“SEBI ICDR Master Circular”	SEBI master circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, as amended by circular no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/31 dated March 11, 2025, with respect to rights issue only;
Stock Exchange	Stock exchange where the Equity Shares are presently listed, being BSE;
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange;
Wilful Defaulter or Fraudulent Borrower	A Company or person, as the case may be, categorized as a wilful defaulter or fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation

Term	Description
	2(1)(III) of SEBI (ICDR) Regulations and in accordance with the guidelines on wilful defaulters issued by the RBI, including any company whose director or promoter is categorized as such;
Working Day(s)	In terms of Regulation 2(1)(mmm) of SEBI (ICDR) Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, a working day means all days, excluding Saturdays, Sundays, and public holidays, on which commercial banks in Ahmedabad are open for business. Furthermore, the period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI;

## ABBREVIATIONS

Term	Description
ADR	American Depository Receipt;
AGM	Annual General Meeting;
AIF	Alternative Investment Fund as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
AS	Accounting Standards issued by the Institute of Chartered Accountants of India;
ASBA	Application Supported by Blocked Amount;
AY	Assessment Year;
Bn /b.n	Billion
BSE	BSE Limited;
CAF	Common Application Form;
CDSL	Central Depository Services (India) Limited;
CFO	Chief Financial Officer;
CIN	Corporate Identification Number;
CIT	Commissioner of Income Tax;
CLRA	Contract Labour (Regulation and Abolition) Act, 1970;
Companies Act, 2013 / Companies Act	Companies Act, 2013 along with rules made thereunder;
Companies Act, 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections);
CSR	Corporate Social Responsibility;
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018
Depositories Act	The Depositories Act, 1996;
DIN	Director Identification Number;
DP	Depository Participant;
DP ID	Depository Participant's Identification;
DR	Depository Receipts;
EBITDA	Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation and amortisation expense, as presented in the statement of profit and loss;
EGM	Extraordinary General Meeting;
EEA	European Economic Area;
EPS	Earnings Per Share; (Total Earnings / Outstanding Shares)
FDI	Foreign Direct Investment;
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations made thereunder;
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019;
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws;
FIPB	Foreign Investment Promotion Board;
FPIs	Foreign Portfolio Investors;
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI;
FY/ Financial Year/ Fiscal Year/ Fiscal	Period of 12 months ended March 31 of that particular year, unless otherwise stated;
GAAP	Generally Accepted Accounting Principles;
GDP	Gross Domestic Product;
GDR	Global Depository Receipt;
GNPA	Gross Net Performing Assets;



Term	Description
GoI / Government	The Government of India;
GST	Goods and Services Tax;
HUF	Hindu Undivided Family;
ICAI	The Institute of Chartered Accountants of India;
ICSI	The Institute of Company Secretaries of India;
IFRS	International Financial Reporting Standards;
Income Tax Act / IT Act	Income Tax Act, 1961;
Ind AS	Indian Accounting Standards;
Indian GAAP/ I-GAAP	Generally Accepted Accounting Principles in India;
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended;
IT	Information Technology;
MCA	The Ministry of Corporate Affairs, GoI;
Mn / mn	Million;
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996;
N.A. or NA	Not Applicable;
NAV	Net Asset Value; (Value of Assets – Value of Liabilities / Total Number of Outstanding Shares)
NEFT	National Electronic Fund Transfer;
Notified Sections	These sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect;
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI, FPIs registered with SEBI and FVCIs registered with SEBI;
NRE	Account Non-resident external account;
NRI	Non-resident Indian;
NRO	Non-resident ordinary account;
NSDL	National Securities Depository Limited;
OCB	Overseas Corporate Body;
P.A/ p.a.	Per Annum;
P/E Ratio	Price/Earnings Ratio (Share Price / EPS);
PAN	Permanent account number;
PAT	Profit after Tax;
RBI	Reserve Bank of India;
RBI Act	Reserve Bank of India Act, 1934;
RONW	Return on Net Worth;
SCORES	SEBI Complaints Redress System;
SCRA	Securities Contracts (Regulation) Act, 1956, and amendments thereto;
SCRR	Securities Contracts (Regulation) Rules, 1957, and amendments thereto;
SEBI	Securities and Exchange Board of India;
SEBI Act	Securities and Exchange Board of India Act, 1992, and amendments thereto;
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 and amendments thereto;
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 and amendments thereto;
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto;
Securities Act	United States Securities Act of 1933, as amended;
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto;
STT	Securities transaction tax;
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be;

## NOTICE TO OVERSEAS INVESTORS

The distribution of Issue Material, and the Issue of Rights Entitlement and Right Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons in whose possession the Issue Material may come are required to inform themselves about and observe such restrictions.

Our Company is making this Issue on a rights basis to the Eligible Shareholders as on Record Date and will dispatch through email and courier the Issue Materials to such Eligible Shareholders who have a registered address in India or who have provided an Indian address to our Company. Investors can also access the Issue Material from the websites of the Registrar, our Company, and BSE Limited. Those overseas shareholders, who have not updated our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent the Issue Materials.

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

Any person who makes an application to acquire Right Entitlements or Right Shares will be deemed to have declared, represented, warranted and agreed that she/he is authorized to acquire the Right Entitlements or Right Shares in compliance with all applicable laws and regulations prevailing in her/his jurisdiction. Our Company, the Registrar or any other person acting on behalf of us reserve the right to treat any Application Form as invalid where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Right Shares or Rights Entitlement in respect of any such Application Form. Neither the delivery of Issue Materials nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of the Draft Letter of Offer.

**The contents of the Issue Materials should not be construed as legal, tax, or investment advice. Prospective investors may be subject to adverse foreign, state, or local tax or legal consequences as a result of the offer of Right Entitlements and Right Shares. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning this Offer. In addition, our Company is not making any representation to any offeree or purchaser of the Rights Entitlement and Right Shares regarding the legality of an investment in the Right Shares by such offeree or purchaser under any applicable laws or regulations.**

The Rights Entitlement and the Right Shares of our Company have not been and will not be registered under the Securities Act, or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof, except in a transaction exempt from the registration requirements of the Securities Act. The rights referred to in the Draft Letter of Offer are being offered in India, but not in the United States. The offering to which the Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said Equity Shares or rights. Accordingly, the Issue Materials should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Equity Shares and wishing to hold such Equity Shares in registered form must provide an address for registration of the Equity Shares in India. Our Company is making the Right Shares to Eligible Shareholders of our Company on the Record Date and issue materials will be dispatched only to Equity Shareholders who have an Indian address. Any person who acquires rights and the Right Shares will be deemed to have declared, represented, warranted and agreed, that:

1. That it is not and that at the time of subscribing for the Right Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made,

2. It does not have a registered address (and is not otherwise located) in the United States, and
3. It is authorized to acquire the rights and the Equity Shares in compliance with all applicable laws and regulations.
4. Our Company believes that Application Form is incomplete, or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form

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

1. Appears to our Company or its agents to have been executed in or dispatched from the United States;
2. Where a registered Indian address is not provided; or
3. Where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

## PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA

### CERTAIN CONVENTIONS

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

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

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

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

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

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to ‘Ashnisha Industries Limited’, the/our ‘Company’, ‘we’, ‘our’, ‘us or similar terms are to Ashnisha Industries Limited or, as the context requires, and references to ‘you’ are to the equity shareholders and/ or prospective Investors in the Equity Shares.

### FINANCIAL DATA

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Letter of Offer have been derived from our Audited Financial Statements. For details, please see “Financial Information” on page 73 of this Draft Letter of Offer. Our Company’s financial year commences on April 1 and ends on March 31 of the following calendar year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ending on March 31 of the following calendar year.

The Government of India (GoI) has adopted the Ind AS, which are converged with the IFRS and notified under Section 133 of the Companies Act, 2013 read with the Ind AS Rules. The Financial Statements of our Company have been prepared in accordance with Ind AS read with the Ind AS Rules and other the relevant provisions of the Companies Act, 2013. Our Company publishes its financial statements in Indian Rupees.

Unless stated otherwise, the financial data in this Draft Letter of Offer is derived from the audited financial statements for the year ending March 31, 2025, March 31, 2024 and unaudited financial results for the Quarter Ended on June 30, 2025 and Quarter Ended on June 30, 2024 of our Company prepared in accordance with Ind AS, Accounting Standards, Companies Act, 2013. For further details, please refer to the section titled ‘**Financial Information**’ beginning on page 73 of this Draft Letter of Offer. The financial year of our Company commences on April 1 and ends on March 31.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

### CURRENCY OF PRESENTATION

All references in this Draft Letter of Offer to ‘Rupees’, ‘Rs.’, ‘₹’, ‘Indian Rupees’ and ‘INR’ are to Rupees, the official currency of the Republic of India.

All references to ‘U.S. \$’, ‘U.S. Dollar’, ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America.

#### ***Please Note:***

One billion is equal to 1,000 million/100 crores;  
One million is equal to 1,000,000/10 lakhs;  
One crore is equal to 10 million/100 lakhs  
One lakh is equal to 100 thousand;

#### **Exchange Rates**

This Draft Letter of Offer contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all. The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency	June 30, 2025	March 28, 2025*	March 28, 2024**
1 USD	85.54	87.08	83.37

(Source: [www.rbi.org.in](http://www.rbi.org.in) and [www.fbil.org.in](http://www.fbil.org.in))

*\*March 29, 2025, and March 30, 2025, being Saturday and Sunday respectively and March 31, 2025, was a bank holiday on account of Ramzan-Id (Id-Ul-Fitr) celebration, exchange rate was not available.*

*\*\* March 29, 2024, was a bank holiday on account of Good Friday celebration. Further, March 30, 2024, and March 31, 2024, being Saturday and Sunday respectively and exchange rate was not available.*

\*\*\*\*\*This page is intentionally left blank\*\*\*\*\*



## FORWARD LOOKING STATEMENTS

We have included statements in this Draft Letter of Offer which contain words or phrases such as ‘will’, ‘may’, ‘aim’, ‘is likely to result’, ‘believe’, ‘expect’, ‘continue’, ‘anticipate’, ‘estimate’, ‘intend’, ‘plan’, ‘contemplate’, ‘seek to’, ‘future’, ‘objective’, ‘goal’, ‘project’, ‘should’, ‘pursue’ and similar expressions or variations of such expressions, that are ‘forward looking statements’.

Further, actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in its industry and incidents of any natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

1. Any disruption in production at, or shutdown of, our manufacturing facility;
2. Success of product development process and our ability to conceptualise new products;
3. Dependency on our key customers and key suppliers;
4. General economic and business conditions in India and in the markets in which we operate and in the local, regional, and national economies;
5. Changes in laws and regulations and other factors relating to the sectors and industry in which we operate;
6. Occurrence of environmental problems and uninsured losses;
7. Increased competition in industries and sector in which we operate;
8. Our ability to meet our capital expenditure requirements;
9. Our ability to successfully implement our growth strategy and expansion plans and to successfully launch and implement various projects and business plans for which funds are being raised through this Issue;
10. Fluctuations in operating costs;
11. Our ability to attract and retain qualified personnel;
12. Our failure to keep pace with rapid changes in technology;
13. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
14. Any adverse outcome in the legal proceedings in which we/our group companies are involved;
15. Other factors beyond our control;
16. Our ability to manage risks that arise from these factors;
17. Conflicts of interest with affiliated companies, the promoter group and other related parties; and
18. The performance of the financial markets in India and globally.

For a further discussion of factors that could cause the actual results to differ, please refer to the section titled ‘**Risk Factors**’ beginning on page 18 of this Draft Letter of Offer. By their nature, certain market risk disclosures are only estimates and could 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. Our Company or Registrar does not have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI and BSE’s Limited requirements, our Company shall ensure that Investors in India are informed of material developments until the time of the grant of listing and trading permission by the BSE Limited.

\*\*\*\*\*This page is intentionally left blank\*\*\*\*\*

## SECTION II – SUMMARY OF THE DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to prospective Investors. This summary should be read in conjunction with and is qualified by, the more detailed information appearing in this Draft Letter of Offer, including the sections titled '**Risk Factors**', '**Objects of the Issue**', '**Business Overview**' and '**Outstanding Litigations**' beginning on pages 18, 39, 61 of this Draft Letter of Offer, respectively.

### SUMMARY OF OUR INDUSTRY

The Indian steel industry in 2025-2026 is experiencing dynamic growth, supported by substantial investments, strategic policy measures, and a favourable demand environment. However, challenges such as import restrictions and environmental concerns remain, necessitating ongoing adaptation and innovation within the sector. India's steel production increased by 6% in 2024, reaching 149 million tonnes. In January 2025, production rose by 6.8% year-on-year to 13.6 million tonnes, driven by the launch of new capacities. The government aims to expand steelmaking potential to 330 million tonnes per year by 2030 under the National Steel Policy 2017. Demand for steel in India is projected to grow by 8% to 9% in 2025, surpassing growth rates in other major steel-consuming countries. This surge is attributed to increased activity in construction, housing, and infrastructure sectors.

The steel industry in India is poised for significant growth in 2025-2026, driven by a combination of strong domestic demand, strategic investments, and supportive government policies. The ongoing boom in construction, housing, and infrastructure projects, fuelled by initiatives like the National Infrastructure Pipeline (NIP) and Smart Cities Mission, is expected to boost steel consumption. Additionally, the growing automotive and manufacturing sectors, which rely heavily on high-quality steel, will further contribute to this demand.

Furthermore, the Indian government's push for sustainability in steel production is expected to drive innovation, with incentives for low-carbon and green steel technologies. The industry's growth will also be bolstered by foreign investments, as seen with Arcelor Mittal Nippon Steel's plans to build an integrated steel plant in Andhra Pradesh and Vedanta's efforts to find global partners for a \$20 billion expansion in iron and steel.

The export potential of India's steel industry is also promising, with the country expected to maintain its position as one of the largest steel exporters globally. As India looks to meet growing demand in regions like the Middle East and Africa, the steel sector is positioned to benefit from a favourable global market. However, challenges remain, particularly in terms of environmental sustainability and competition from low-cost imports. Despite these hurdles, the steel industry in India is expected to grow at a rate of 8% to 9% in 2025, with continued focus on innovation and expanding capacity, solidifying India's role as a global leader in steel production.

### SUMMARY OF OUR BUSINESS

We are engaged in the business of trading in of steel TMT Bars, Round Bars, Angles, MS Bars and Channels

For further details, please refer to the chapter titled '**Business Overview**' beginning on page 61 of this Draft Letter of Offer.

### OUR PROMOTERS

The Promoters of our company are Ashok Chinubhai Shah, Leena Ashok Shah and Shalin Ashok Shah.

### OBJECTS OF THE ISSUE

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

Particulars	Amount (₹ in Lakhs)
Gross Proceeds from the Issue#	₹4923.75
Less: Estimated Issue related Expenses	₹75
<b>Net Proceeds from the Issue</b>	<b>₹4848.75</b>

#Assuming full subscription and allotment. *If there is any reduction in the amount on account of or at the time of finalization of Issue Price and Rights Entitlements Ratio, the same will be adjusted against General Corporate Purpose.*

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

Particulars	Amount (₹ in Lakhs)
To Fund Solar Power Project	₹1500.00
To meet working capital requirements	₹2300.00
General corporate purpose	₹₹1048.75
<b>Total</b>	<b>₹4848.75</b>

*#In an event of any under-utilization of funds from the aforesaid stated objects of the Issue, the Company shall have the liberty to utilize the said balance fund for General Corporate Purpose, which shall not in any event exceed 25.00% (Twenty-Five Percent) of the Gross Proceeds (inclusive of the aforementioned fund requirement for General Corporate Purpose);*

*@Assuming full subscription in this Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.*

For further details, please refer to the chapter titled **‘Objects of the Issue’** beginning on page 39 of this Draft Letter of Offer.

## **INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTER AND PROMOTER GROUP IN THE ISSUE**

Our Promoters and members of the Promoters group have not given their assent/dissent regarding their intention to subscribe in this issue. The extent of renouncement, if any, shall be finalized before the filing of Letter of Offer with Stock Exchange. In the event the Promoters decides to renounce its Right Entitlement in the favour of third party, minimum subscription criteria provided under regulation 86(1) of the SEBI ICDR Regulations shall apply.

Pursuant to Regulation 86 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), it is mandatory for the issuer company to achieve a minimum subscription in a rights issue. Specifically, the company must receive subscription for at least ninety percent (90%) of the total issue size as stated in the offer document.

The minimum subscription threshold includes all valid applications received and accepted from eligible shareholders and other investors in the rights issue. The Company is, therefore, committed to ensuring compliance with this regulatory requirement and will take all necessary steps to achieve the prescribed minimum subscription level.

For further details, please refer to the chapter titled **‘Objects of the Issue’** beginning on page 40 of this Draft darft Letter of Offer.

## **INTENTION OF ISSUER TO ALLOT THE UNDER-SUBSCRIBED PORTION OF THE RIGHTS ISSUE TO ANY SPECIFIC INVESTOR(S)**

Our Company does not intend to allot the under-subscribed portion of the Rights Equity Shares in this Issue to any Specific Investor(s).

## **CONFIRMATION**

Neither our Company, nor our Promoter or Directors have been identified as Wilful Defaulters or Fraudulent Borrowers as defined under the SEBI ICDR Regulations.

## **AUDITOR QUALIFICATIONS**

For further details on auditor qualifications, please refer to section titled **‘Financial Statements’** beginning on page no.73 of this Draft Letter of Offer.

## **SUMMARY OF OUTSTANDING LITIGATION**

Nature of Cases	Number of cases	Amount involved
<b>Litigations involving our Company</b>		
Litigation Involving Actions by Statutory/Regulatory Authorities	Nil	Nil
Litigation involving Tax Liabilities	Nil	Nil
Proceedings involving issues of moral turpitude or criminal liability on the part of ourCompany	Nil	Nil

Nature of Cases	Number of cases	Amount involved
Proceedings involving Material Violations of Statutory Regulations by our Company	Nil	Nil
Matters involving economic offences where proceedings have been initiated against our Company	Nil	Nil
Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company	Nil	Nil
<b>Litigation involving our Subsidiary Company</b>	Nil	Nil

## RISK FACTORS

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares, material litigations which impact the business of the Company and other economic factors, please refer to the section titled '**Risk Factors**' beginning on page 18 of this Draft Letter of Offer.

## 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 during the last one year immediately preceding the date of filing the Draft Letter of Offer.

## SPLIT/ CONSOLIDATION OF EQUITY SHARES IN LAST 1 (ONE) YEAR

There has been no split/ consolidation of Equity Shares during the last 1 (One) year immediately preceding the date of filing this Draft Letter of Offer.

## FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our directors and their relatives have financed the purchase, by any other person of Equity Shares other than in the normal course of the business of the financing entity during the period of 6 (Six) months immediately preceding the date of this Draft Letter of Offer.

\*\*\*\*\*This page is intentionally left blank\*\*\*\*\*

## SECTION III – RISK FACTORS

*An investment in equity shares involves a high degree of risk. The risks described below together with other information contained in this Draft Letter of Offer should be carefully considered by the prospective investors before making an investment decision. Prospective investors should carefully consider all the information contained in the section titled “**Financial Information**” on page 73 for the information related to the financial performance of our Company. The risks described in this section are those that we consider to be the most significant to our business, results of operations, financial condition, cash flows and prospects. Additional risks not presently known to us or that we currently deem immaterial may also adversely affect our business operations. If any or a combination of the following events occur, our business, results of operations, financial condition and prospects could materially suffer, the trading price of our Equity Shares could decline and you may lose all or part of your investment. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein.*

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

*Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context otherwise requires, in this section, reference to ‘we’, ‘us’, ‘our’ refers to our Company.*

### INTERNAL RISKS

#### 1. Market Volatility and Economic Conditions

The steel industry is highly cyclical, and its performance is directly linked to broader economic trends, including industrial growth, infrastructure development, and global steel demand. If the market is volatile or if there is an economic downturn, investors may be less willing to subscribe to a rights issue. This could result in lower-than-expected participation, affecting the company's ability to raise the necessary funds. For example, if there is a global recession or a slowdown in the construction and manufacturing sectors, it might negatively impact steel demand, leading to reduced investor confidence.

#### 2. Debt Levels and Leverage Concerns

Steel manufacturing companies often operate with high levels of debt due to the capital-intensive nature of the industry. If the company is already highly leveraged, it could face challenges in raising capital through a rights issue, as investors might be concerned about the company's ability to manage its debt levels. High debt burdens may signal financial distress or increase the risk of default, making investors hesitant to invest further in the company, even at a discounted price in a rights issue.

#### 3. Operational and Supply Chain Risks

Steel manufacturing companies are vulnerable to disruptions in their supply chains, including the availability and cost of raw materials like iron ore and coal, energy costs, and labour issues. A rights issue might be challenging if investors perceive that the company is facing operational risks or has an unstable supply chain. Any significant disruptions, such as price volatility in raw materials, labour strikes, or equipment failures, could impact the company's profitability and affect its ability to effectively utilize the capital raised through the rights issue.

#### 4. Our Company's logo is not registered under the Trademarks Act, 1999 as on date of Draft Letter of Offer. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third-party intellectual property rights.

We may be susceptible to claims from third parties asserting infringement and other related claims. If claims or actions are asserted against us, we may be required to obtain a license, modify our existing technology, or cease the use of such technology and design a new non-infringing technology. Such licenses or design modifications can be extremely costly. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, the settlement of which could be costly. We may also be liable for any past infringement. Any of the foregoing could adversely affect our business, results of operations and financial condition.

#### 5. We operate in a highly competitive industry.

We operate in a highly competitive industry. Any inability to compete effectively may lead to a lower market share or reduced operating margins. The chemical trading sector is fiercely competitive, with numerous participants engaging in similar



activities, both within India and internationally. To maintain our competitiveness in the market, we must consistently focus on optimizing our trading processes, reducing costs, enhancing distribution efficiency, and innovating our approach to chemical trading. Failure to do so may negatively impact our market share and overall financial performance.

In the context of our trading activities, we may incur substantial expenses in preparing to meet anticipated customer requirements, which may not be fully recoverable. For instance, if a customer is launching a new product, we might need to make significant investments to adapt our trading operations, potentially affecting our efficiency and production rates. Additionally, there is no guarantee that we will remain competitive in terms of technology, trading strategies, and overall service quality to meet our customers' expectations. Future negotiations with significant customers may result in less favourable pricing terms compared to our existing agreements.

Many of our competitors in the trading industry may be larger and benefit from greater economies of scale and operational efficiencies. There is no assurance that we can continue to effectively compete with such entities in the future. Failure to compete successfully may adversely affect our business, financial condition, and results of operations. Furthermore, the competitive nature of the Chemical trading industry may lead to lower prices for our traded product and reduced profit margins, significantly impacting our revenue and overall profitability.

***6. Our insurance coverage may not adequately protect us against certain operating risks and this may have an adverse effect on the results of our business.***

We are insured for a risks associated with our business, through various policies. We believe that we have got our assets and stock adequately insured, however our policy of covering these risks through insurance may not always be effective or adequate, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, to cover all material losses. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business and results of operations could be adversely affected.

***7. If we are unable to source business opportunities effectively, we may not achieve our financial objectives.***

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees, expand our sales channel and to implement systems capable of effectively accommodating our growth. However, we cannot assure that any such employees or marketing agents will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It is also possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analysis of market conditions and other data or the strategies that we may use in future to use will be successful under various market conditions.

***8. Certain of our Directors and Key Management Personnel have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits.***

Certain of our Directors and Key Management Personnel may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Certain Directors and Key Management Personnel may be deemed to be interested to the extent of equity shares held by them, directly or indirectly, in our Company. Except as stated above, none of our Directors and Key Management Personnel has any interest in our Company.

***9. Our growth strategy to expand into new geographic areas exposes us to certain risks and if we are unable to identify the right mix of distribution channels in respect of our targeted locations, our business prospects could be adversely affected.***

Increasing our presence in new geographical areas across India is one of the principal elements of our growth strategy. We propose to continue with this strategy of entering new geographic areas. Pursuant to our growth strategy and to further deepen our presence pan India, we intend expand our distribution channel which shall increase our reach in various cities and towns.

Pursuing such a growth strategy may expose us to risks which may arise due to lack of familiarity with the development, ownership and management of retail business in certain regions and the customer preferences in such regions.

***10. The success of our business depends on our ability to attract and retain customers and maintain consistency in customer service.***

Our ability to offer products in line with customer preferences, demand and trends to our customers and maintain our standards of customer service is critical to attract and retain customers. Our ability to attract customers and provide high standards of customer service further depends on our ability to attract and hire the right personnel and also train the personnel in the implementation of our business processes. We cannot assure you that we will be able to recruit and retain the right personnel or our advertising and marketing campaign will be successful in meeting its objectives and provide returns commensurate to

the investments made. Any failure to attract new customers or expand our customer base, may materially affect our growth and financial performance.

***11. We face competition from existing retailers, online retailers and potential entrants, both domestic and foreign, to the retail industry that may adversely affect our competitive position and our profitability.***

Loss of market share and increase in competition may adversely affect our profitability. Further, we face competition from brands who market similar products as us. The entry strategy of the new entrants and growth strategy of existing competitors may not be focussed on profitability in the short-term. This could adversely affect the profitability dynamics of our business. Some of our competitors may be able to compete more effectively because of their access to significantly greater resources, which may lead to increased competition. Our products compete with non-branded products, economy brands and products of other established brands. Such an increase in competition may cause to increase our marketing expenditure, reduce prices of our products, thereby reducing margins.

Additionally, we may face competition from international players if foreign participation in our businesses further liberalized. Some of our international competitors may be able to capitalize on their overseas experience to compete in the Indian market. Moreover, as the industry is highly fragmented, we also face competition from local brands that may, for a variety of reasons, such as easier access to, as well as established personal relationships with, the customers, be able to cater to local demands better than us. Our inability to compete successfully in our industry would materially affect our business prospects and financial condition.

***12. We do not have firm long term commitment agreements with our customers. We may not be able to accurately forecast demand for our products and plan production schedules in advance, and our growth estimates may not accurately indicate our actual sales and revenues for any future period or date.***

We do not enter into firm long-term agreements with our customers. Typically, there is no commitment on the part of the customer to purchase the quantities specified in the volume projections. We rely on purchase orders and delivery schedule issued by such customers from time to time that set out the volume and other terms of our sales of products. The quantities supplied are based on delivery schedules provided by the customers based on their own demand and supply situation. Further, in the event the Company is unable to fulfill the purchase order, it is required to notify the customers. As a result, our customers do not typically place firm purchase orders until a short time before the products are required from us, as a result of which we do not hold a significant order book at any time, making it difficult for us to forecast production volume or sales and are based on a number of economic and business factors such as our customers' demand and supply situation, and other variables and assumptions, some or all of which may change or may not be accurate and, accordingly, our growth estimates may not accurately indicate our actual sales and revenues for any future period or date.

Moreover, since we do not have long-term firm commitments with our customers, and instead rely on purchase orders and customer schedules to govern the volume, price and other terms of the development program and sales, which may be amended or cancelled prior to finalization, we may not have any recourse in the event of an unexpected delay or cancellation of a development program. In addition, we may not realize all of the revenue expected from our incremental business pipeline and it may not be indicative of our future growth rate or new business orders we will receive in the future.

Further, our customers have high and exacting standards for product quality and delivery schedules. Any failure to meet customer's expectations could result in the cancellation or non-renewal of contracts. Our customers may terminate their arrangements with us for cause or otherwise for, among others, our non-compliance with contractual obligations such as standards for product quality and quantity as well as delivery schedules, and in certain cases have no liability to pay for or reimburse lost profits, unabsorbed overheads, capital investments made by us, product development and engineering costs, facilities and equipment rental and other related costs such as penalties or administrative charges incurred directly or indirectly by us in connection with cancelled orders. In addition, we do not have exclusive contracts with any of our large customers, which entitles them to replace us with another supplier under certain circumstances. Accordingly, we may not in fact realize all of the future sales represented by our awarded business, which could materially and adversely affect our business, cash flows, financial condition and results of operations.

Customers may also demand price reductions, change their outsourcing strategy or replace their existing products with alternative products. There is therefore no assurance that we will be able to continue to procure business from the existing customers or to retain the existing customers, or that we will be able to replace our customer base in a timely manner or at all, in the event customers do not continue to purchase products manufactured by us. Such loss of customers may have an adverse effect on our business, financial condition and results of operations, including an interruption or partial or total work stoppage at our manufacturing facilities.

***13. In addition to normal remuneration or benefits and reimbursement of expenses, our Promoters, our Directors and Key Managerial Personnel are interested in our Company to the extent of their shareholding, and dividend entitlements etc.***

Our Promoters, Directors and Key Management Personnel are deemed to be interested to the extent of the Equity Shares held by them, or their relatives, dividend entitlements, and benefits deriving from the directorship in our Company.

**14. We are exposed to the risk of delays or non-payment by our clients and other counterparties, which may also result in cash flow mismatches.**

We are exposed to counterparty credit risk in the usual course of our business dealings with our clients or other counterparties who may delay or fail to make payments or perform their other contractual obligations. The financial condition of our clients, business partners, suppliers and other counterparties may be affected by the performance of their business which may be impacted by several factors including general economic conditions. We cannot assure you of the continued viability of our counterparties or that we will accurately assess their creditworthiness. We also cannot assure you that we will be able to collect the whole or any part of any overdue payments. Any material non-payment or non-performance by our clients, business partners, suppliers or other counterparties could affect our financial condition, results of operations and cash flows.

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

In the Financial Year ending March 31, 2025, March 31, 2024, and March 31, 2023, we have entered several related party transactions with entities under common control and our directors. In addition, we have in the past also entered transactions with other related parties. For further please refer to the section titled '**Financial Statements**' beginning on page 73 of this Draft Letter of Offer.

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

**16. We experienced negative cash flows in the past**

We experienced negative cash flows in the past. Sustained negative cash flows could impact our growth and business. We experienced negative cash flows from some activities as per the periods indicated below as per our Consolidated Financial Statements

Particulars	For the Financial Year ending March 31		
	2025	2024	2023
Net Cash Flow from Operating Activities	-77.23	-250.97	-1068.36
Net Cash Flow from Investing Activities	42.22	-300.18	0.00

(₹ in Lakhs)

If we continue to experience negative cash flows from operations in the future, it could adversely affect our business, results of operations and financial condition. For further details, see '**Financial Statements**' on page 73 of this Draft Letter of Offer.

**17. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.**

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations, and goodwill could be adversely affected.

**18. As the Equity Shares of our Company are listed on BSE Limited, our Company is subject to certain obligations and reporting requirements under the SEBI (LODR) Regulations and comply with other SEBI regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.**

The Equity Shares of our Company are listed on BSE Limited, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI (LODR) Regulations, to the extent applicable, and have to adhere to and comply with other applicable Regulations framed by SEBI. Our Company endeavors to comply with all such obligations and reporting requirements, any non-compliance which might have been committed by us, may result into BSE Limited and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and the rules and regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

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

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

Further, government approvals and licenses are subject to numerous conditions, of which some may be onerous and may require us to undertake substantial compliance-related expenditure. In certain locations, regulatory authorities may exercise considerable discretion in matters of enforcement and interpretation of applicable laws, regulations, and standards.

Failure to comply with applicable laws or regulations, obtain and maintain any licenses, permits and approvals necessary to operate our business or non-compliance with any conditions imposed thereunder can lead to civil, administrative, or criminal penalties, including but not limited to fines or the revocation of permits and licenses that may be necessary for our business activities. We could also be required to pay damages in respect of third-party claims, including those relating to personal injury or property damage, any of which could materially and adversely affect our business, financial condition, results of operations and prospects.

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

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

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

Our Company depends on the management skills and guidance of our Promoters and Directors for development of business strategies, monitoring its successful implementation and meeting future challenges. However, recently new Promoters and directors have joined our company and the old promoters and Directors have exited and the new Promoters and Directors bring with them the requisite knowledge and experience of the changed line of business of the company. Further, we also significantly depend on the expertise, experience, and continued efforts of our Key Managerial Personnel. Some of our employees have been associated with our Company since a long period of time and have been integral to the growth and in the success of our Company. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our directors or Key Managerial Personnel are unable or unwilling to continue in his/ her present position, it could be difficult for us to find a suitable or timely replacement and our business could be adversely affected. There is significant competition for management and other skilled personnel in the industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not offer better compensation packages and incentives to such Key Managerial Personnel. In the event we are not able to attract and retain talented employees, as required for conducting our business, or we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition, and operations may be adversely affected.

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

Our ability to pay dividends in future will depend on our earnings, financial condition, and capital requirements. Our business is working capital intensive and we are required to obtain consents from certain of our lenders prior to the declaration of dividend as per the terms of the agreements executed with them. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition, and results of operations. Although our Company has not declared dividends in the past, however there can be no assurance that our Company will declare dividends in the future also.

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

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the chapter titled '*Industry Overview*' on page no. 51 of this Draft Letter of Offer. We have made disclosures

in the said chapter based on the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Letter of Offer. Further, the industry data mentioned in this Draft Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Letter of Offer in this context.

**24. *We are proposing to undertake a new line of business in the solar energy sector, in which we do not have prior experience, and there can be no assurance regarding the successful implementation or profitability of such business.***

The Company is proposing to enter into the renewable energy sector through the development of a 3 MW (AC) solar power project in Gujarat. This proposed diversification involves sector-specific operational, regulatory, and execution-related risks, and the Company does not have any prior track record or experience in setting up or operating renewable energy projects.

Further, the implementation of such project is subject to receipt of various regulatory approvals, availability of land, technology risks, cost overruns, and potential delays. There can be no assurance that this new business initiative will be successfully executed or will contribute positively to our business or financial performance.

**25. *We face significant competition from both traditional and renewable energy companies and any failure to respond to market changes in the renewable energy industry could adversely affect our business, financial conditions and results of operations.***

We face intense competition in the renewable energy sector, primarily from Indian and global developers and operators of solar, wind, and other renewable energy projects. The deregulation of the Indian power sector particularly through reforms introduced under the Electricity Act, 2003, has increased competition by removing certain licensing requirements for power generation, enabling open access to transmission and distribution networks, and facilitating capacity additions through captive power projects. These regulatory developments, along with potential future reforms, continue to encourage greater private sector participation, thereby intensifying market competition.

Our competitors may have access to superior operational, financial, technical, and managerial resources, enabling them to achieve greater economies of scale and a lower cost of capital. This often allows them to bid more competitively in auctions, sometimes at margins that we may be unable or unwilling to match. Additionally, some of our competitors may have a stronger local presence, more established relationships, or a greater risk appetite, enabling them to sustain operations with minimal or even negative margins over extended periods.

The competitive landscape may also be altered through strategic alliances, joint ventures, or mergers involving our competitors and key suppliers or contractors. Such consolidations could limit our options and reduce flexibility in project execution. As the industry continues to evolve, we may also encounter new entrants, including players from adjacent sectors or emerging technologies, which could further challenge our market position.

Moreover, we compete not only within the renewable energy segment but also with conventional power producers using fossil fuels. As of December 2024, grid-connected renewable energy—including large hydro—accounted for approximately 47% of India's total installed generation capacity, while traditional fossil fuel-based sources comprised about 52.6%. (*Source: Power Sector at a glance, Ministry of Power, February 2025*) A decline in the cost of coal, oil, natural gas, or other fossil fuels could reduce the demand for renewable energy, impacting tariffs, project viability, and overall competitiveness. Any increase in competition or reduction in our ability to compete effectively may adversely affect our market share, project profitability, and overall business performance.

## **ISSUE SPECIFIC RISKS**

**26. *Investment in Right Shares is exposed to certain risks.***

The Right Shares offered under this Issue will be listed under a separate ISIN. An active market for trading may not develop for the Right Shares. This may affect the liquidity of the Right Shares and restrict your ability to sell them. In case our Company declares any dividend, Rights Equity Shareholders are only entitled to dividend in proportion to the amount paid-up, and the voting rights (exercisable on a poll) by Investors shall also be proportional to such investor's share of the paid-up equity capital of our Company.

**27. *Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.***

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our



Company of Eligible Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renounces may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renounces prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of on Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements.

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

Our Company will dispatch the Issue Materials to such Shareholders who have provided an address in India for the service of documents. The Issue Materials will not be distributed to addresses outside India on account of restrictions that apply to the circulation of such materials in various overseas jurisdictions. However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e- mail. Presently, there is a lack of clarity under the Companies Act, 2013, and the rules thereunder, with respect to the distribution of Issue Materials to retail individual shareholders in overseas jurisdictions where such distribution may be prohibited under applicable laws of such jurisdictions.

***29. Investors shall not have the option to receive Right Shares in physical form.***

In accordance with the provisions of Regulation 77A of the SEBI (ICDR) Regulations read with SEBI Rights Issue Circular, the credit of Rights Entitlement and Allotment of Right Shares shall be made in dematerialised form only. Investors will not have the option of getting the allotment of Equity Shares in physical form.

***30. SEBI has streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Draft Letter of Offer.***

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI Rights Issue circulars and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see '*Terms of the Issue*' on page 96 of this Draft Letter of Offer.

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

***31. Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoters and Promoter Group will not dispose of, pledge, or encumber their Equity Shares in the future.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian Company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 (Twelve) months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where

such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares.

Further, the Finance Act, 2019, which has been notified with effect from April 01, 2019, stipulates the sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, and the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments have been notified on December 10, 2019 and have come into effect from July 01, 2020.

The Finance Act, 2020 has also provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident.

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

The Equity Shares that you may be Allotted in this Issue may not be credited to your demat account with the depository participants until approximately two days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. We cannot assure you that the Equity Shares allocated to you will be credited to your demat account, or that trading in such Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

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

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

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

Under the Companies Act, any company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

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

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

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

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

**38. *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.

**EXTERNAL RISK FACTORS**

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

Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Since 1991, successive Indian governments have pursued policies of economic liberalization and financial sector reforms. The current Government has announced its general intention to continue India's current economic and financial sector liberalization and deregulation policies. However, there can be no assurance that such policies will be continued and a significant change in the government's policies in the future could affect business and economic conditions in India and could also adversely affect our business, prospects, financial condition and results of operations. Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

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

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

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

- a) Any increase in Indian interest rates or inflation;
- b) Any scarcity of credit or other financing in India;
- c) Prevailing income conditions among Indian consumers and Indian corporations;
- d) Changes in India's tax, trade, fiscal or monetary policies;
- e) Political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- f) Prevailing regional or global economic conditions; and
- g) Other significant regulatory or economic developments in or affecting India.

Any slowdown in the Indian economy or in the growth of the sectors we participate in or future volatility in global commodity prices could adversely affect our borrowers and contractual counterparties. This in turn could adversely affect our business and financial performance and the price of our Equity Shares.

**41. *Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.***

Foreign ownership of Indian securities is subject to government regulation. Under foreign exchange regulations currently in effect in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the rupees proceeds from the sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the Income Tax authorities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained.

**42. *Financial instability in both Indian and international financial markets could adversely affect our results of operations and financial condition.***

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have an adverse effect on the securities of companies in other countries. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe, and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and directly or indirectly, adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition, and results of operations. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections.

There are concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented several policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance, and the trading price of the Equity Shares.

**43. *Changing laws, rules and regulations and legal uncertainties in India, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.***

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter "Government and Other Approvals" on page 88 for details of the laws currently applicable to us. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on all our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations.

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

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

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

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

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

*(This page is intentionally left blank)*



## **CONFIRMATIONS**

### **A. Compliance with the Listing Agreement and SEBI LODR Regulations, 2015:**

The Company is compliant with the requirements of Equity Listing Agreement and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

### **B. Redressal of Investor Complaints:**

The Company has redressed all the complaints received from the investors until the end of the quarter immediately preceding the month of the date of filing this Draft Letter of Offer.

### **C. Impact of SEBI Proceedings:**

The Company, its Promoters or Whole Time Directors have neither received any show cause notices from SEBI nor its Adjudicating Officers for imposition of any penalty. Further, there are no prosecution proceedings which have been initiated by SEBI against the Company, its Promoter and Whole Time Directors.

### **D. Suspension of Trading in Equity Shares of the Company on Account of Disciplinary Reasons:**

The trading in equity shares of the Company have not been suspended on account of any disciplinary measure during last three years immediately preceding the date of filing of this Draft Letter of Offer.

*(This page is intentionally left blank)*

## SECTION IV – INTRODUCTION

### THE ISSUE

This Issue has been authorised by way of a resolution passed by our Board of Directors on 6<sup>th</sup> September, 2025, in pursuance of Section 62(1)(a) of The Companies Act, 2013 and other applicable provisions.

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in ‘*Terms of the Issue*’ on page 84 of this Draft Letter of Offer.

Equity Shares outstanding prior to the Issue	10,10,00,000 (Ten Crore Ten Lakhs) Equity Shares
Rights Equity Shares offered in the Issue	[●] [●] Rights Equity Shares
Equity Shares outstanding after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	[●] [●] Rights Equity Shares
Rights Entitlement	[●] Rights Equity Shares for every [●] fully paid-up Equity Shares held on the Record Date
Record Date	[●]
Face Value per Equity Share	₹1.00/- each
Issue Price per Equity Share	₹[●] including a premium of ₹[●] per Rights Equity Share.
Issue Size (Assuming full subscription for the Issue)	₹ 4923.75 lakhs/- (Rupees Forty Nine Crore Twenty Three lakhs Seventy Five Thousand Only)
Fractional Entitlement	As the Equity Shares being offered on a rights basis under the Issue is in the ratio of [●] Rights Equity Shares for every [●] fully paid-up Equity Shares held, fractional entitlement will not arise. However, if any, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any.
Terms of the Issue	Please refer to the section titled ‘ <i>Terms of the Issue</i> ’ beginning on page 84 of this Draft Letter of Offer.
Use of Issue Proceeds	Please refer to the section titled ‘ <i>Objects of the Issue</i> ’ beginning on page 39 of this Draft Letter of Offer.
Security Code/ Scrip Details	ISIN: INE694W01024; BSE Scrip Code: 541702; BSE Scrip ID: ASHNI; ISIN for Rights Entitlements:[●]

### TERMS OF PAYMENT

Due Date	Face Value (₹)	Premium (₹)	Total amount payable per Rights Equity Share (including premium) (₹)
On Application (i.e., along with the Application Form)	1/-	[●]/-	[●]/-

### ISSUE SCHEDULE

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

### MINIMUM SUBSCRIPTION

Our Promoters and members of the Promoters group have not given their assent/dissent regarding their intention to subscribe in this issue. The extent of renouncement, if any, shall be finalized before the filing of Draft Letter of Offer with Stock Exchange. In the event the Promoters decides to renounce its Right Entitlement in the favour of third party, minimum subscription criteria provided under regulation 86(1) of the SEBI ICDR Regulations shall apply.

Pursuant to Regulation 86 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), it is mandatory for the issuer company to achieve a minimum subscription in a rights issue. Specifically, the company must receive subscription for at least ninety percent (90%) of the total issue size as stated in the offer document.

The minimum subscription threshold includes all valid applications received and accepted from eligible shareholders and other investors in the rights issue. The Company is, therefore, committed to ensuring compliance with this regulatory requirement and will take all necessary steps to achieve the prescribed minimum subscription level.

*(This page is intentionally left blank)*

## GENERAL INFORMATION

Ashnisha Industries Limited was originally incorporated under the provisions of The Companies Act, 1956 as 'Ashnisha Alloys Private Limited' on 27<sup>th</sup> July, 2009, with the Registrar of Companies, Gujarat. However, Company subsequently converted into public company. The company was converted from Private Limited to Public Limited on 14/03/2017 and consequently the name of the company was changed from 'Ashnisha Alloys Private Limited' to 'Ashnisha Alloys Limited'. Thereafter the name of the company was changed to "Ashnisha Industries Limited" pursuant to a special resolution of our shareholders passed in an extra-ordinary general meeting dated March 22, 2017 and a fresh certificate of incorporation dated March 29, 2017, consequent on such change of name was issued to our Company by the Registrar of Companies, Ahmedabad Gujarat.

*Scheme of Arrangement in the nature of demerger of Trading and Investment Business of Lesha Industries Limited and vesting the same into Ashnisha Alloys Private Limited pursuant to section 391 to 394 and other relevant provision of the Companies Act 1956 sanction by Ahmedabad Bench of the Hon'ble National Company Law Tribunal vide Order No. T.P.NO. 38/NCLT/AHM/2017 on dated 29<sup>th</sup> May 2017. The equity shares of our company got listed on July 31, 2018, with BSE.*

### REGISTERED OFFICE OF OUR COMPANY

**Company name:** Ashnisha Industries Limited

**Corporate Identification Number:** L74110GJ2009PLC057629;

**Registered Office:** 7th Floor, Ashoka Chambers, Opp. HCG Hospital Mithkhali Six Roads, Ahmedabad, Gujarat, India, 380006;

**Contact Number:** +079- 26463227;

**Contact Person:** Ms. Payal Punit Pandya – Company Secretary and Compliance Officer

**Email-ID** [ashnishalimited@gmail.com](mailto:ashnishalimited@gmail.com)

**Website:** [www.ashnisha.in](http://www.ashnisha.in)

**Registration no.:** 057629

**BSE scrip ID:** ASHNI

**BSE Scrip Code:** 541702

**ISIN:** INE694W01024

### REGISTRAR OF COMPANIES

The Registrar of Companies, Gujarat

ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat



### BOARD OF DIRECTORS OF OUR COMPANY

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

Name	Designation	DIN	Age	Address
Ashok Chinubhai Shah	Managing Director	02467830	81 years	98, Lavanya Soceity, Paldi, Ahmedabad-380007, Gujarat
Shalin Ashok Shah	Non- Executive Director	00297447	52 years	98, Lavanya Soceity, Paldi, Ahmedabad-380007, Gujarat
Deepti Ghanshyam Gavali	Independent Director	10272798	42 Years	Flat No-A-5 Nandan Residency, Dhongade Nagar Road Nr. Swami Samarth Mandir, Nashik Road, Maharashtra India 422101
Yash Vishwanath Bodade	Independent Director	10669649	23 Years	Plot No-186 Gat No-493/9/186 Bodade Niwas, Nr. Shainig Star, Shri Ram Adgaon, Shiwar, Nashik, Panchvati, Nashik Maharashtra India- 422003
Swapnil Sharad Shimpi	Independent Director	10469352	44 Years	Row House No.3, Ashiyana Prestige, Jaybhavani Road, Lonkar Mala, Nasik road, Nashik Maharashtra India- 422101
Umangkumar Hirabhai Patel	Independent Director	11104737	40 Years	1-17, Patelvas, Borisana, Mahesana, Gujarat-382715

For further details, please refer to the chapter titled '*Our Management*' beginning on page 65 of this Draft Letter of Offer.

## KEY PERSONNEL AND INTERMEDIARIES

Chief Financial Officer/ Company Secretary and Compliance Officer	
<b>ASHOK CHINUBHAI SHAH</b> (Managing Director) Address: 98, Lavanya Soceity, Paldi, Ahmedabad-380007, Gujarat Contact No.: 079- 26463227 Email id: <a href="mailto:ashnishalimited@gmail.com">ashnishalimited@gmail.com</a>	
<b>HIRENKUMAR TRIBHOVANDAS MAKWANA</b> (Chief Financial Officer) Address: 7th Floor, Ashoka Chambers, Opp. HCG Hospital Mithkhali Six Roads, Ahmedabad, Gujarat, India, 380006 Contact Details: 079- 26463227 Email-ID: <a href="mailto:ashnishalimited@gmail.com">ashnishalimited@gmail.com</a>	
<b>PAYAL PUNIT PANDYA</b> (Company Secretary & Compliance Officer) Address: 7th Floor, Ashoka Chambers, Opp. HCG Hospital Mithkhali Six Roads, Ahmedabad, Gujarat, India, 380006 Contact Details: 079- 26463227 Email-ID: <a href="mailto:ashnishalimited@gmail.com">ashnishalimited@gmail.com</a>	
Statutory and Peer Review Auditor	Registrar to the Issue
<b>Name: GMCA &amp; Co.</b> <b>Address:</b> 101, “Parishram”, 5-B, Rashmi Society, Nr. LG Showroom, Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009 <b>Contact:</b> 079 40037372 <b>Email:</b> gmca1973@gmail.com <b>Membership no.:</b> 163940 (CA Mitt S. Patel) <b>Firm Registration No.:</b> 109850W <b>Peer review certificate number:</b> 015381	 Purva Share Registry (India) Pvt. Ltd. 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg Lower Parel (East), Mumbai-400011 <b>Telephone:</b> +91 022-31998810/ 49614132/49700138 <b>Email:</b> <a href="mailto:support@purvashare.com/newissue@purvashare.com">support@purvashare.com/newissue@purvashare.com</a> <b>Website:</b> <a href="http://www.purvashare.com">www.purvashare.com</a> <b>Contact Person:</b> Deepali Dhuri SEBI Registration No.: INR000001112
Bankers to the Issue	
 <b>ICICI Bank Ltd</b> ICICI Bank Ltd, 227, Ground Floor, G2A, Nariman Bhavan, Nariman Point, Mumbai, Maharashtra, Mumbai, Maharashtra, 400021 <b>Tel No:</b> +022 66818911/923 <b>Email Id:</b> <a href="mailto:ipocmg@icicibank.com">ipocmg@icicibank.com</a> <b>Website:</b> <a href="http://www.icicibank.com">www.icicibank.com</a>	

## CHANGES IN THE AUDITORS DURING THE LAST THREE YEARS

There has been no change in the auditors of the Company in the previous 3 (Three) Financial Years prior to the date of filing this Draft Letter of Offer.

## INVESTORS GRIEVANCES

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Rights Issue or post-Rights Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), E-mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, please refer to the section titled ‘*Terms of the Issue*’ beginning on page 84 of this Draft Letter of Offer.

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

## ALLOCATION OF RESPONSIBILITIES

The Company has not appointed any merchant banker to the Issue and hence there is no inter-se allocation of responsibilities.

## CREDIT RATING

This being a Rights Issue of Equity Shares, there is no requirement of credit rating.

## EXPERT

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

Our Company has received a written consent from our Statutory Auditors, GMCA & Co., Chartered Accountants, to include their name in this Draft Letter of Offer and as an 'expert', as defined under Section 2 (38) of the Companies Act, 2013, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of the Audited Financial Statements and the statement of special tax benefits dated September 06<sup>th</sup>, 2025, included in this Draft Letter of Offer, and such consent has not been withdrawn as of the date of this Draft Letter of Offer.

## ISSUE SCHEDULE

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

<b>Last Date for credit of Rights Entitlements</b>	<input type="checkbox"/>
<b>Issue Opening Date</b>	<input type="checkbox"/>
<b>Last Date for On Market Renunciation of Rights Entitlements#</b>	<input type="checkbox"/>
<b>Issue Closing Date*</b>	<input type="checkbox"/>
<b>Finalization of Basis of Allotment (on or about)</b>	<input type="checkbox"/>
<b>Date of Allotment (on or about)</b>	<input type="checkbox"/>
<b>Date of credit (on or about)</b>	<input type="checkbox"/>
<b>Date of listing (on or about)</b>	<input type="checkbox"/>

*Note:*

*#Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounces on or prior to the Issue Closing Date;*

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

Please note that if Eligible Shareholders holding Equity Shares who have not provided the details of their demat accounts to our Company or to the Registrar to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Offer not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., ☐ to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 (One) day before the Issue Closing Date, i.e., ☐

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company, or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. Further, it is also encouraged that the Applications are submitted well in advance before the Issue Closing Date. For details on submitting Application Forms, please refer to the section titled '**Terms of the Issue**' beginning on page 84 of this Draft Letter of Offer.

The details of the Rights Entitlements with respect to each Eligible Shareholders can be accessed by such respective Eligible Shareholders on the website of the Registrar to the Issue at [www.purvashare.com](http://www.purvashare.com) after keying in their respective details along with other security control measures implemented there at. For further details, please refer to the paragraph titled see '**Credit**

*of Rights Entitlements in demat accounts of Eligible Shareholders’* under the section titled *‘Terms of the Issue’* beginning on page 84 of this Draft Letter of Offer.

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

#### **CREDIT RATING**

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

#### **DEBENTURE TRUSTEE**

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

#### **MONITORING AGENCY**

Our Company has appointed **CARE Ratings Limited** as the Monitoring Agency for the Issue, in accordance with Regulation 82 of the SEBI ICDR Regulations, to monitor the utilization of the Gross Proceeds. The details of the **Monitoring Agency are as follows:**

##### **CARE Ratings Limited**

4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express Highway,  
Sion (East), Mumbai-400022

Mr. Saurabh Vaish

Email: [Saurabh.vaish@careedge.in](mailto:Saurabh.vaish@careedge.in)

Tel: +91 9999510596

Website: [www.careratings.com](http://www.careratings.com)

SEBI Registration No.: **IN/CRA/004/1999**

#### **APPRAISING ENTITY**

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

#### **UNDERWRITING**

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

#### **FILING**

This Draft Letter of Offer is being filed with the Stock Exchanges and with SEBI as per the provisions of the SEBI ICDR Regulations.

#### **MINIMUM SUBSCRIPTION**

Our Promoters and members of the Promoters group have not given their assent/dissent regarding their intention to subscribe in this issue. The extent of renouncement, if any, shall be finalized before the filing of Draft Letter of Offer with Stock Exchange. In the event the Promoters decides to renounce its Right Entitlement in the favour of third party, minimum subscription criteria provided under regulation 86(1) of the SEBI ICDR Regulations shall apply.

Pursuant to Regulation 86 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), it is mandatory for the issuer company to achieve a minimum subscription in a rights issue. Specifically, the company must receive subscription for at least ninety percent (90%) of the total issue size as stated in the offer document.

The minimum subscription threshold includes all valid applications received and accepted from eligible shareholders and other investors in the rights issue. The Company is, therefore, committed to ensuring compliance with this regulatory requirement and will take all necessary steps to achieve the prescribed minimum subscription level.



## CAPITAL STRUCTURE

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

Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
<b>Authorised Equity Share capital</b>		
27,50,00,000 (Twenty Seven Crores Fifty Lakhs) Equity Shares	₹2750.00 Lakhs	-
<b>Issued, subscribed and paid-up Equity Share capital before the Rights Issue</b>		
10,10,00,000 (Ten Crore Ten Lakhs) Equity Shares of face value of ₹1.00/- each	₹1010.00 Lakhs	-
<b>Present Rights Issue in terms of this Draft Letter of Offer<sup>(1)</sup></b>		
[●] ([●]) Equity Shares	₹[●]	₹4,923.75Lakh
<b>Issued, subscribed and paid-up Equity Share capital after the Issue</b>		
[●] Equity Shares of face value of ₹1.00/- each	[●]	
<b>Securities premium account</b>		
Before the Issue		Nil
After the Issue <sup>(2)</sup>		[●]

*Assuming full subscription for allotment of Rights Equity Shares.*

*Note:*

*(1) The present Rights Issue has been authorised by our Board of Directors pursuant to the resolution passed in their meeting conducted on 06<sup>th</sup> September, 2025.*

*(2) Assuming full subscription for allotment of Rights Equity Shares.*

### NOTES TO THE CAPITAL STRUCTURE

- The Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer;
- At any given time, there shall be only one denomination of the Equity Shares. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;
- As on the date of this Draft Letter of Offer, our Company has not issued any special voting Right Shares and there are no outstanding Equity Shares having special voting rights;
- The ex-rights price arrived in accordance with the formula prescribed Regulation 10(4)(b) of the SEBI (SAST) Regulations, in connection with the Issue is ₹[●] (Rupees [●] Only);
- Details of outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares**

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

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

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

#### 7. Details of Equity Shares held by the promoter and promoter group including the details of lock-in, pledge of and encumbrance on such Equity Shares

As on the date of this Draft Letter of Offer, none of the Equity Shares held by the members of the Promoter and Promoter Group of the Company are locked-in, pledged and encumbered;

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

None of our Promoter or Promoter Group have acquired any securities in the last one year, immediately preceding the date of filing of this Draft Letter of Offer.

## 9. Intention and participation by the promoter and promoter group

Our Promoters and members of the Promoters group have not given their assent/dissent regarding their intention to subscribe in this issue. The extent of renouncement, if any, shall be finalized before the filing of Draft Letter of Offer with Stock Exchange. In the event the Promoters decides to renounce its Right Entitlement in the favour of third party, minimum subscription criteria provided under regulation 86(1) of the SEBI ICDR Regulations shall apply.

Pursuant to Regulation 86 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), it is mandatory for the issuer company to achieve a minimum subscription in a rights issue. Specifically, the company must receive subscription for at least ninety percent (90%) of the total issue size as stated in the offer document.

Further, the Promoters and members of our Promoter Group may also apply for additional Equity Shares along with their Rights Entitlement and/or renunciation. Such subscriptions of Equity Shares over and above its Rights Entitlement, if allotted, may result in an increase in their percentage shareholding above its current percentage shareholding. Any acquisition of additional Equity Shares shall not result in change of control of the management of the Company in accordance with provisions of the SEBI (SAST) Regulations and shall be exempted subject to fulfilment of the conditions of Regulation 10 of the SEBI (SAST) Regulations.

The Promoters and members of our Promoter Group acknowledge and undertake that their investment would be restricted to ensure that the public shareholding in the Company after this Issue does not fall below the permissible minimum level as specified in the listing conditions or Regulation 38 of SEBI (LODR) Regulations.

No person connected with this Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Investor for making an application in this Issue, except for fees or commission for services rendered in relation to the Issue;

## 10. Shareholding Pattern of our company

a) The shareholding pattern of our Company as on June 30, 2025 is as follows:

Particulars	BSE Limited's URL
Summary statement holding of specified securities	<a href="https://www.bseindia.com/stock-share-price/ashnisha-industries-ltd/ashni/541702/shareholding-pattern/">https://www.bseindia.com/stock-share-price/ashnisha-industries-ltd/ashni/541702/shareholding-pattern/</a>
Statement showing shareholding pattern of the Promoter and Promoter Group	<a href="https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=541702&amp;qtrid=126.00&amp;QtrName=Jun-25">https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=541702&amp;qtrid=126.00&amp;QtrName=Jun-25</a>
Statement showing shareholding pattern of the public shareholder	<a href="https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=541702&amp;qtrid=126.00&amp;QtrName=Jun-25">https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=541702&amp;qtrid=126.00&amp;QtrName=Jun-25</a>
Statement showing shareholding pattern of the Non-Promoter- Non-Public shareholder	<a href="https://www.bseindia.com/corporates/shpNonProPublic.aspx?scripcd=541702&amp;qtrid=126.00&amp;QtrName=Jun-25">https://www.bseindia.com/corporates/shpNonProPublic.aspx?scripcd=541702&amp;qtrid=126.00&amp;QtrName=Jun-25</a>
Details of disclosure made by the Trading Members holding 1% or more of the Total No. of shares of the company.	<a href="https://www.bseindia.com/corporates/shpdrPercent.aspx?scripcd=541702&amp;qtrid=126.00&amp;CompName=Ashnisha%20Industries%20Ltd&amp;QtrName=Jun-25&amp;Type=TM">https://www.bseindia.com/corporates/shpdrPercent.aspx?scripcd=541702&amp;qtrid=126.00&amp;CompName=Ashnisha%20Industries%20Ltd&amp;QtrName=Jun-25&amp;Type=TM</a>

(This page in intentionally left blank)

b) Details of shareholders holding more than 1% of the pre-Issue paid up capital of our Company as on date of this Draft Letter of Offer:

Name of shareholder	Category of shareholder	No. of shareholders	No. of fully paid-up Equity Shares held	Total no. Equity Shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form
Ashok Chinubhai Shah	Promoter	1	75,00,000	75,00,000	7.43	75,00,000	75,00,000	7.43
Shalin Ashok Shah	Promoter	1	85,00,000	85,00,000	8.42	85,00,000	85,00,000	8.42
Rhetan TMT Ltd	Promoter Group	1	14,55,840	14,55,840	1.44	14,55,840	14,55,840	1.44
Mohammad Shami	Public	1	18,75,269	18,75,269	1.86	18,75,269	18,75,269	1.86
Hitesh J Panara	Public	1	18,51,200	18,51,200	1.83	18,51,200	18,51,200	1.83
Ghanshyam Dhananjay Gavali	Public	1	10,78,004	10,78,004	1.07	10,78,004	10,78,004	1.07
Suryaja Infrastructure Pvt. Ltd.	Non-promoter Body corporate	1	13,43,520	13,43,520	1.33	13,43,520	13,43,520	1.33
Midrina Oil And Gas Services Pvt. Ltd.	Non-promoter Body corporate	1	13,43,520	13,43,520	1.33	13,43,520	13,43,520	1.33
<b>Total</b>		<b>8</b>	<b>2,49,47,353</b>	<b>2,49,47,353</b>	<b>24.71</b>	<b>2,49,47,353</b>	<b>2,49,47,353</b>	<b>24.71</b>

## SECTION V – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

Our Company proposes to utilize the Net Proceeds to the following purpose:

1. To Fund Solar Power Project
2. To meet working capital requirements
3. General corporate purpose

We are engaged in the trading of steel products and main objects of the Memorandum of Association of our Company enable us to undertake the existing activities and the activities for which the funds are being raised through the Issue.

Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

The fund requirement and deployment are based on internal management estimates and have not been appraised. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, or other financial conditions, business or strategy.

### ISSUE PROCEEDS

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

Particulars	Amount (₹ in Lakhs)
Gross Proceeds from the Issue#	₹4923.75
Less: Estimated Issue related Expenses	₹75.00
<b>Net Proceeds from the Issue</b>	<b>₹4848.75</b>

# Assuming full subscription in the issue and subject to allotment of Rights Equity Shares

### REQUIREMENT OF FUNDS OF THE NET PROCEEDS

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

Particulars	Amount (₹ in Lakhs)
To Fund Solar Power Project	₹1500.00
To meet working capital requirements	₹2300.00
General corporate purpose	₹1048.75
<b>Total</b>	<b>₹4848.75</b>

# Assuming full subscription in the issue and subject to allotment of Rights Equity Shares

### MEANS OF FINANCE

Our Company proposes to meet the entire requirement of funds for the objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance under Regulation 62(1)(c) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Rights Issue. The fund requirement and deployment are based on our management estimates and has not been appraised by any bank or financial institution or any other independent agencies. The fund requirement above is based on our current business plan and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our management.

### PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

We propose to deploy the Net Proceeds towards the aforesaid objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(₹ in Lakhs)

Particulars	Amount to be deployed from Net Proceeds in the Financial Year ending		Total Amount
	March 31, 2026	March 31, 2027	
To Fund Solar Power Project	₹1500.00	-	₹1500.00
To meet working capital requirements	₹1500.00	₹800.00	₹2300.00
General corporate purpose	₹948.75	₹100.00	₹1048.75
<b>Total Net Proceeds</b>	<b>₹4548.</b>	<b>₹300.00</b>	<b>₹4848.75</b>

\*Issue Proceeds proposed to be used for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

## DETAILS OF THE OBJECTS OF THE ISSUE

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

### 1. To Fund Solar Power Project

As part of its strategic growth and diversification plan, the company is now venturing into the renewable energy sector with plans to set up a solar power project. This new vertical aligns with the company's vision for sustainable development and opens new avenues for long-term value creation. The Company has a 3 MW solar power project, planned in two distinct phases. The work for Phase 1 (1.5 MW) has already commenced. The current issue is being proposed for Phase 2, i.e., the remaining 1.5 MW. The Company proposes to raise funds aggregating up to ₹15 Crores through this Rights Issue. The primary objective of the fund raise is to support the development and execution of the 1.5. MW solar power plant project.

#### Phase 1 – 1.5 MW Solar Power Project (Already Approved)

The Company has received approval from the appropriate government authorities i.e. Uttar Gujarat Vij Company Limited (UGVCL) and GEDA (Gujarat Energy Development Agency) to facilitate the execution of Phase 1 of the project for setting up a 1.5 MW solar power project as part of Phase 1. The Company has allotted 240.67 Hectare land situated at Survey No. 70, Village – UN, Taluka- Kankarej District- Banaskantha for Phase-1, and preliminary work has commenced. The Company has approved quotation of Greenpill Renewable Energy Limited and has placed order for purchase of solar equipment. The development and commissioning of this phase is progressing in line with the project timelines, and completion is expected on or around May 2026. The funding requirements for Phase 1 are already in place and do not form part of this Rights Issue, the Expected unit generation capacity from Phase-1 is 30 Lakh units per annum resulting into revenue generation of approximately Rs. 90 lakhs per annum.

#### Phase 2 – Expansion Beyond 1.5 MW up to 3 MW

The proceeds of this Rights Issue are intended to be utilized primarily towards the development of Phase 2 of the solar power project. Phase 2 will involve expansion beyond 1.50 MW capacity up to 3.00 MW and will require additional capital investment for infrastructure development, procurement of solar panels and related equipment, installation, and commissioning for remaining 1.5 MW. The proposed investment in Phase 2 aligns with the Company's long-term strategy of contributing to sustainable energy development and enhancing its renewable energy portfolio.

These two-phase execution model is designed to ensure efficient deployment of resources, regulatory compliance, and phased risk mitigation while enabling the Company to meet its strategic and environmental commitments.

This is to affirm that the company has incorporated in its Memorandum of Association (MOA) the object of carrying out business activities related to solar energy, including but not limited to the manufacturing, trading, installation, and operation of solar systems and components, as well as the development of Solar Parks and other renewable energy solutions.

In accordance with the objects specified in the Memorandum of Association (MOA), the company has undertaken significant steps towards initiating its solar power project.

The proposed solar project is intended to be set up at **Survey No. 71, Village: UN, Taluka: Kankrej, District: Banaskantha, Gujarat**. The company will apply for **necessary approval** from **Gujarat Energy Development Agency (GEDA)** and **Uttar Gujarat VIJ Company Limited (UGVCL)** for the supply of electricity.

**Purpose of Construction of Solar Power Plant:** Sale of electricity generated by a renewable energy project to a Distribution Company under a government-backed scheme — DREBP.

**The necessary details required for the said project are as under:**

Break-up of the cost of the project for which the money is being raised;

(₹ in Lakhs)

Particulars	Amount Required
*Solar Equipments (Panels and other equipments)	Rs. 880.00
**Site Development Work [Land development, land levelling and RCC Pre-cast folding wall (Boundary)]	Rs. 250.00
Land lease deposit	Rs. 200.00
Electricity Line Connection	Rs. 70.00
Installation and other Miscellaneous expense	Rs. 100.00
<b>Total</b>	<b>Rs. 1500.00</b>

Ref: \*Quotation received from Greenpill Renewable Energy Private Limited dated on 25<sup>th</sup> August, 2025.

\*\* Quotation received from Spacewalk Construction LLP dated on 30<sup>th</sup> August, 2025.

**Details regarding Plant and machinery, technology and process, etc.**

**The details pertaining to the same are as follows:**

Particulars	Details
Total estimated Cost of the Project	Approx Rs. 1500 Lakhs
Area of Land	410.71 Hectare
Capacity of Project	1.5 MW
Estimated time for completion of project	December, 2026
Facilities for raw materials and utilities like water, electricity etc.	NA
Details of equipments required to be bought	Solar Equipments (Panels and other equipments)
Cost of equipment	Rs. 8.80 Crores
Name of Supplier/vendor	-
Date of Placement of order	-
Date / Expected date of delivery of equipment	-
Quotations of equipments	The details of quotation received from Greenpill Renewable Energy Private Limited
Approvals required for solar project	The necessary approvals required for the Project from Government Authorities are as follows:  1. GEDA (Gujarat Energy Development Agency) 2. UGVCL (Uttar Gujarat VIJ Company Limited)  The Company is currently under process for getting requisite approvals from necessary Government authorities.
Any cost incurred for taking approvals for project	-
Project report, if any, taken from any technical expert	Not required
Revenue generation from project	Approx Rs. 90 Lakhs per Annum
Collaborations, any performance guarantee or assistance in marketing by the collaborators	NIL
<b>The Company does not plan to buy second-hand machinery out of the proceeds of the present issue.</b>	

Details of Solar Equipment's (Panels and other equipment's)	
Propose Solar plant type	Open Access Captive
Propose Solar plant capacity(KW)	1750KW
PV module make	GOLDI/OTHER MAKE Bi-Facial 580 WP SOLAR PANEL (0.5% Degradation)
PV Capacity(watt)	580/590
No of PV module	2966
Total DC capacity(KW)	1750 KW
Module Warranty	10 years workman ship warranty and 25 years of Generation warranty
Solar Inverter make	Sungrow
Solar Inverter model	SG320HX and SG125HX(it may be vary)
Inverter capacity(KW) AC/DC	305KW/472KW- As per Design

Inverter warranty	05 Years
Protection - O/L, S/C, E/F etc	All Protection with in built SPD
Remote Monitoring	Surya logix with WMS/Other
ACDB	6 in 1 Out ACDB with NVR and MFM indoor with ABB Breaker
AC & DC Cable make	Polycab/HAVELLS/OTHER
Cable laying	DC cable laying through dwc pipe , AC Cable through trench with sand& bricks
No of earthing	19(it may be very after final design)
Earthing specification	3METER 17MM Copper Bonded Rod with compound chemical 25x3mm earthing strip
Type of solar structure	SINGLE AXIS TRACKER SYSTEM
PV to inverter cable size	6SQ MM DC POLYCAB EN Standard
Inverter to ACDB cable size	300 sqmm XLPE aluminiumarmoured designed as per 2% Drop (it may be very after final design)
ACDB to transformer cable size	3c,185/240SQ MM XLPE aluminiumarmouredArmouredPolycab (it may be very after final design)
Transformer to HT panel cable	3c,185sqmm XLPE AR AL cable
Lightning Arrestor specification	protector MAKE 107METER RADIUS LA with 2 Earthings with 50mm X 5mm thickness Earthing Strip
Transformer Make & rating	1500 KVA inverter duty transformer As per Trafo with 2200 KVA IDTC 05 Year Warranty
HT VCB PANEL	SAP MAKE/11KV,1250A,26.3KA HT PANEL with Siemens or ABB make breaker
Net Metering KIT &Liasoning	ABT Meters for Plant Side and consumer side and getco side

#### Estimated Project Completion Time Frame:

Sr. No.	Description	Reference from D*
0	Application to Government Authorities for Approval	D
1	Receipt of approval from Government Authorities	D+90
2	Site Development Work	D+150
3	Completion of Civil work	D+200
4	Supply of major equipment like SPV Modules, Power Conditioning Units, transformers etc.	D+210
5	Installation of all equipment	D+290
6	Interconnection of all major equipment and completion of installation	D+310
7	Completion, testing and commissioning of Solar PV power plant	D+320
8	Operational Acceptance	D+330
<b>Licenses and Timelines for Approval</b>		
<b>As on date of this Draft Letter of Offer, for developing the solar power plant, our company is yet to apply to obtain required licenses and approvals from certain governmental or local authorities for phase II of the Project.</b>		
1	Application to GEDA	D
2	Receipt of approval of GEDA	D+30
3	Application to UGVCL	D+40
4	Receipt of approval from UGVCL	D+90

#### Technology & Process of Solar Energy

Solar energy is the cleanest, most abundant renewable energy source available. Photovoltaic (PV) technologies are used to directly convert energy from sunlight into electricity. PV cells are connected and mounted on a frame termed as solar module. The solar modules are mounted on racks and are installed in solar park in an array. When the sunlight hits the PV cell, it excites the electrons in the semiconductor material causing flow of electricity, known as Photovoltaic (PV) effect. This electricity generated by the solar cells will be in form of Direct Current (DC). The DC electricity collected from the solar cells are sent to inverters, which converts the DC to Alternating Current (AC), the standard form of electricity used.

The company is currently in the planning and development stage of the project and is working towards fulfilling the remaining regulatory, technical, and infrastructural requirements to commence construction and operations. The management remains committed to advancing the project in a phased and sustainable manner, in alignment with its objective to promote renewable energy solutions.

The proceeds from the rights issue will primarily be used to fund the development of the land on which solar power plant is proposed to be set. A significant portion will be allocated to land development which will enable the Company to increase its revenue.



Additionally, part of the funds will be invested in solar energy infrastructure, including high-efficiency solar panels, inverters, and energy storage systems, to lower energy costs and support the company's commitment to sustainability.

The remaining funds will cover installation costs for the new solar plant infrastructure and solar systems, ensuring smooth integration of equipment and compliance with safety and regulatory standards. Other related expenses, such as legal fees, project management costs, and a contingency reserve for unforeseen challenges, will also be funded by the rights issue. These investments will drive long-term growth, enhance energy efficiency, and improve the company's competitive edge in the market.

## 2. To meet working capital requirements

Our business operates within a dynamic and competitive market environment, often requiring substantial working capital to sustain operations and pursue growth opportunities. While we primarily rely on internal accruals and unsecured borrowings to meet our working capital needs, the fluctuating nature of our industry and business strategies necessitates periodic reassessment of our funding requirements.

In light of this, the proposed equity infusion through the Rights Issue is aimed at addressing our increasing working capital demands. The proceeds from the Rights Issue will be utilized to maintain optimal levels of creditors, debtors, and inventory in alignment with our operational needs. This strategic initiative is vital for sustaining our growth trajectory over the next 3 years and ensuring our competitiveness within the industry.

### (a) Existing Working Capital Requirement:

The details of our Company's working capital as of March 31, 2025 and March 31, 2024 derived from the fiscal 2025 and 2024 Audited Standalone financial statement of the Company and the source of funding are provided in the table below:

Sr. No	Particulars	March 31, 2025	March 31, 2024
<b>A</b>	<b>Current Assets</b>		
	Trade Receivables	₹742.32	₹853.38
	Cash and Cash Equivalents	₹20.41	₹17.32
	Short-term loans and advances	₹1891.16	₹1806.05
	Inventory	-	₹23.50
	Other Current Assets	₹113.32	₹20.26
	<b>Total Current Assets (A)</b>	<b>₹2767.21</b>	<b>₹2720.51</b>
<b>B</b>	<b>Current Liabilities</b>		
	Trade Payables	₹191.25	₹179.33
	Other Financial liabilities	-	-
	Other Current Liabilities	₹0.27	₹61.35
	Short Term Provision	₹4.82	₹0.60
	<b>Total Current Liabilities (B)</b>	<b>₹196.34</b>	<b>₹241.28</b>
<b>C</b>	<b>Total Working Capital Requirements (A-B)</b>	<b>₹2570.87</b>	<b>₹2479.23</b>
<b>D</b>	<b>Funding Patterns</b>		
	Internal Accruals / Equity	₹2300.37	₹2246.82
	Borrowings	₹270.50	₹232.41

### (b) Projected Working Capital Requirements:

Based on our comprehensive assessment of projected working capital requirements, the Rights Issue Committee, has approved the anticipated working capital needs for the Financial Years ending March 31, 2026, March 31, 2027 and 31<sup>st</sup> March, 2028. The detailed breakdown of these requirements is as follows:

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

(₹ in Lakhs)

#### Assumptions on the Working Capital requirements:

We have estimated our working capital requirements based on the following holding periods:

Sr. No.	Particulars	Working Capital Requirements as per the Projected Financials		
		March 31, 2026	March 31, 2027	March 31, 2028
<b>A</b>	<b>Current Assets</b>			
	Trade Receivables	₹318.55	₹573.39	₹716.73
	Cash and Cash Equivalents	₹28.00	₹29.50	₹31.50
	Short-term loans and advances	₹1607.19	₹1205.61	₹783.65
	Inventory	₹238.91	₹430.04	₹537.55
	Other Current Assets	₹430.94	₹517.13	₹775.70
	<b>Total Current Assets (A)</b>	<b>₹2623.89</b>	<b>₹2755.67</b>	<b>₹2845.13</b>
<b>B</b>	<b>Current Liabilities</b>			
	Trade Payables	₹79.64	₹143.35	₹179.18
	Other Financial liabilities	-	-	-
	Other Current Liabilities	₹9.00	₹13.00	₹15.00
	Short Term Provision	₹76.45	₹137.61	₹172.02
	<b>Total Current Liabilities (B)</b>	<b>₹165.09</b>	<b>₹293.96</b>	<b>₹366.20</b>
<b>C</b>	<b>Total Working Capital Requirements (A-B)</b>	<b>₹2458.80</b>	<b>₹2461.71</b>	<b>₹2478.93</b>
<b>D</b>	<b>Funding Patterns</b>			
	Internal Accruals/Unsecured Loans	₹958.80	₹1661.71	₹2478.93
	Out of Net Proceeds of the Issue	₹1500.00	₹800.00	-

#### Assumptions on the Working Capital requirements:

We have estimated our working capital requirements based on the following holding periods:

Sr. No.	Particulars	March 31, 20226	March 31, 2027	March 31, 2028
1	Sundry Debtors Holding Period (Months)	3	3	3
2	Inventory Holding Period (Months)	3	3	3
3	Sundry Creditors Holding Period (Months)	1	1	1

#### Justification for “Holding period” levels

Particulars	31-Mar-26 (Projected)	31-Mar-27 (Projected)	31-Mar-28 (Projected)	Justification
Trade Receivables	₹318.55	₹573.39	₹716.73	The increase in trade receivables reflects a proactive sales strategy, including extended credit terms to support projected revenue growth and foster customer loyalty.
Trade Payables	₹79.64	₹143.35	₹179.18	The progression in trade payables signifies a deliberate extension of payment cycles, optimizing cash flows, negotiating favourable terms, and potentially capitalizing on early payment discounts.
Inventories	₹238.91	₹430.04	₹537.55	The rise in inventory levels aligns with anticipated production and sales growth, ensuring the company maintains adequate stock levels to meet demand and support operational efficiency.

### 3. Expenses for the Issue

The Issue related expenses consist of fees payable to the Legal Counsel, processing fee to the SCSBs, Registrar to the Issue, printing and stationery expenses, advertising expenses and all other incidental and miscellaneous expenses for listing the Rights Equity Shares on the BSE Limited. Our Company will need approximately ₹75.00 Lakhs towards these expenses, a break-up of the same is as follows:

Activity	Estimated Expense (₹ in Lakhs)	% of Total Expenses	As a % of Issue size
Fees of RTA, and legal advisor, other professional service providers	₹14.00	19.25%	0.28%

Fees payable to regulators, including depositories, Stock Exchange, and SEBI	₹14.00	19.25%	0.28%
Statutory advertising, marketing, printing and distribution	₹29.00	39.87%	0.59%
Other expenses (including miscellaneous expenses and stamp duty)	₹15.73	21.63%	0.32%
<b>Total</b>	<b>₹75.00</b>	<b>100.00%</b>	<b>1.47%</b>

#### 4. General Corporate Purposes

The Net Proceeds will first be utilized for the Objects as set out above. Subject to this, our Company intends to deploy balance left out of the Net Proceeds, aggregating to ₹1048.75 lakhs, towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds from the Issue, in compliance with the SEBI (ICDR) Regulations. Such general corporate purposes may include, but are not restricted to, (i) strategic initiatives; (ii) funding growth opportunities; (iii) strengthening marketing capabilities and brand building exercises; (iv) meeting ongoing general corporate contingencies; (v) expenses incurred in ordinary course of business; and (vi) any other purpose, as may be approved by our Board or a Rights Issue Committee thereof, subject to compliance with applicable law, including provisions of the Companies Act.

#### APPRAISAL

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

#### SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF THE NET PROCEEDS

The Net Proceeds are currently expected to be deployed in during Fiscal Years 2025-26, 2026-27, 2027-28.

#### SOURCES OF FINANCING OF FUNDS ALREADY DEPLOYED

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

#### BRIDGE FINANCING FACILITIES

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

#### INTERIM USE OF PROCEEDS

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

#### KEY INDUSTRIAL REGULATIONS FOR THE OBJECTS OF THE ISSUE

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

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

Our Promoters and members of the Promoter Group have not expressed any assent or dissent with respect to their intention to subscribe to this Rights Issue as on the date of this Draft Letter of Offer. Accordingly, their participation in the Issue, whether in full, in part, or by way of renunciation, has not been confirmed.

Further, none of the Promoters, members of the Promoter Group, or Directors have any interest in the objects of the Issue other than to the extent of their respective shareholding in the Company or any benefits arising out of such shareholding.

#### VARIATION IN OBJECTS

In accordance with applicable provisions of the Companies Act, 2013 and applicable rules, except in circumstances of business exigencies, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the '*Postal Ballot Notice*') shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where the Registered Office is situated.

## STATEMENT OF TAX BENEFITS

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

To,  
The Board of Directors,  
Ashnisha Industries Limited  
Ashoka Chambers, 7th Floor, Mithakhali  
Six Roads, Opp. HCG Hospital, Mithakhali,  
Ahmedabad, Gujarat, 380006

**Subject: Proposed Rights Issue of equity shares with a Face value of Rs. 1/- each by Ashnisha Industries Limited (the “Company”) (the “Issue”) in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”) and other applicable laws (the “Issue”)**

We have been requested by the Company to issue a report on the Special Tax Benefits available to the Company, (as defined under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended) and its shareholders attached for inclusion in the Draft Letter of Offer & Letter of Offer in connection with the proposed Rights Issue of Equity Shares of the Company (the “Issue”).

We hereby confirm that the enclosed statement in the **Annexure I**, states the current position of possible special direct tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 ("Act") as amended from time to time, presently in force in India and the Central Goods And Services Tax Act, 2017/ Integrated Goods And Services Tax Act, 2017 relevant State Goods and Services Tax Act (“SGST”) read with Rules, Circulars, and Notifications (“GST law”), the Customs Act, 1962, Customs Tariff Act, 1975 (“Customs law”) and Foreign Trade Policy 2015-2020 (“FTP”) (herein collectively referred as “Indirect Tax Laws”) as amended by Finance Act, 2025, i.e. applicable for the Assessment Year 2026-27 relevant to the Financial Year 2025-26 for inclusion in the Draft Letter of Offer (“DLOF”) & Letter of Offer (“LOF”) for the issue of rights shares.

These possible Special Tax Benefits are dependent on the Company, Material Subsidiaries and the Shareholders of the Company fulfilling the conditions prescribed under the relevant provisions of the corresponding Tax Laws. Hence, the ability of the Company, Material Subsidiaries and the Shareholders of the Company to derive these Possible Special Tax Benefits is dependent upon their fulfilling such conditions, which is based on business imperatives, the Company may face in the future and accordingly, the Company, Material Subsidiaries and the Shareholders of the Company may or may not choose to fulfil. Further, certain tax benefits may be optional, and it would be at the discretion of the Company, Material Subsidiaries or the Shareholders of the Company to exercise the option by fulfilling the conditions prescribed under the Tax Laws.

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

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

- i) the Company or its shareholders will continue to obtain these benefits in future; or
- ii) the conditions prescribed for availing the benefits have been/would be met with
- iii) There venue authorities/courts will concur with the views expressed herein

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

We hereby give consent to include this statement of special tax benefits in the Issue Documents and in any other material used in connection with the Issue.

We confirm that we will immediately communicate any changes in writing in the above information to the legal counsel to the issue ("Legal Counsel") until the date when the Equity Shares that are allotted and transferred in the Issue, commence trading on the Stock Exchanges. In the absence of any such communication from the Legal Counsel to the Issue, you can assume that there is no change to the above information until the Equity Shares commence trading on the Stock Exchanges pursuant to the Issue.

This consent letter is for information and for inclusion (in part or in full) in the Issue Documents, and may be relied upon by the Legal Counsel in relation to the Issue.

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

**For GMCA & Co.  
Chartered Accountants  
FRN:109850W**

**Sd/-**

**CA Amin G Shaikh  
Partner**

**M. No. :108894**

**Date: 06.09.2025**

**Place: Ahmedabad**

**UDIN: 25108894BMKOVW2084**

*(This page is intentionally left blank)*

**Annexure-I**

**ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE ASHNISHA INDUSTRIES LIMITED AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

I Special Tax Benefits available to the Company under the Act:

There are no special tax benefits available to the Company.

II. Special Tax Benefits available to the Shareholders under the Act:

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

III. Special Tax Benefits available to the Subsidiary Company under the Act:

There are no special tax benefits available to the Subsidiary Company.

**For GMCA & Co.**  
**Chartered Accountants**  
**FRN:109850W**

**Sd/-**  
**CA Amin G Shaikh**  
**Partner**  
**M. No. :108894**  
**Date: 06.09.2025**  
**Place: Ahmedabad**  
**UDIN: 25108894BMKOVW2084**

---

**This certificate is issued for the purpose of Rights issue and should not be used for general applications. Any use beyond its intended scope requires prior written consent from the issuing authority.**

*(This page is intentionally left blank)*

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

### 1. Electricity Act, 2003

The **Electricity Act, 2003** is the cornerstone legislation for the power sector in India, providing a comprehensive legal framework for generation, transmission, distribution, trading, and use of electricity. It opened up the electricity market, allowing private players in generation and distribution, and paved the way for the development of renewable energy, including solar. Crucially, it promotes open access, allowing consumers and developers to buy and sell power across state lines. The Act also mandates the establishment of the **Central Electricity Regulatory Commission (CERC)** and **State Electricity Regulatory Commissions (SERCs)**, which are responsible for determining tariffs, setting grid standards, and enforcing renewable energy obligations. It introduced the concept of **Renewable Purchase Obligations (RPOs)**, requiring power distribution companies and other obligated entities to purchase a certain percentage of their electricity from renewable sources like solar.

### 2. Energy Conservation Act, 2001

The **Energy Conservation Act, 2001** focuses on improving energy efficiency and reducing energy intensity across sectors, including renewable energy. It led to the establishment of the **Bureau of Energy Efficiency (BEE)**, which plays a key role in regulating the energy performance of equipment and appliances, including solar modules and inverters. Under this Act, BEE promotes labeling schemes and efficiency standards, such as the **Standards & Labeling (S&L)** program for solar photovoltaic products. The Act also integrates renewable energy technologies into building design through the **Energy Conservation Building Code (ECBC)**, encouraging the use of solar energy in commercial and residential construction.

### 3. Environment (Protection) Act, 1986

The **Environment (Protection) Act, 1986** provides the legislative backing for environmental governance in India. In the context of solar power, it is primarily relevant to large-scale solar park development, where issues of land use, forest clearance, and environmental impact assessments (EIAs) arise. Though solar projects generally have a lower environmental footprint compared to fossil fuel projects, the manufacturing, recycling, and disposal of solar panels must still adhere to environmental standards under this Act. The law empowers the government to set guidelines for pollution control and mandates environmental clearance for certain categories of projects, especially those affecting ecologically sensitive areas.

### 4. Green Energy Open Access (GEOA) Rules, 2022

The **Green Energy Open Access Rules**, notified in 2022, are a significant reform aimed at promoting the commercial and industrial (C&I) adoption of renewable energy. The rules reduce the minimum demand limit for open access consumers to **100 kW**, making it easier for smaller businesses to procure solar energy directly from developers. They also mandate **time-bound approval processes**, cap surcharges, and introduce rules for **banking, wheeling, and forecasting**. These rules provide a more transparent and consumer-friendly mechanism for accessing solar power outside of traditional utility supply, fostering a more decentralized and competitive solar energy market.

### 5. National Tariff Policy, 2006 (Amended)

The **National Tariff Policy**, issued under the Electricity Act, guides central and state regulators on tariff setting and promotes a level playing field for renewable energy. It emphasizes the importance of renewable energy in achieving energy security and reducing emissions. The policy encourages **preferential tariffs** for solar and other renewable energy sources and mandates **solar-specific RPOs** to ensure their inclusion in state energy portfolios. It also supports the implementation of **net metering, time-of-day tariffs**, and other mechanisms to encourage rooftop solar adoption and storage technologies.



## **6. State solar policies**

Our Company's operations are also subject to the solar policies framed in the states in which the solar power projects are implemented, and we supply our products to such projects. Such policies typically provide a framework for the governance of the solar power industry and projects, procedures for undertaking of bids, terms of the renewable purchase obligations, connectivity to grid lines and the measures to be taken to promote the development of solar power in the state, including incentives to manufacturer such as grants of concessions on certain taxes, research and development initiatives.

*(This page is intentionally left blank)*

## SECTION VI – ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

*The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but 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, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.*

#### INTRODUCTION

#### INDUSTRY OVERVIEW & INDIAN MANUFACTURING SECTOR

##### Introduction

#### SECTION IV: ABOUT OUR COMPANY INDUSTRY OVERVIEW

##### Indian Economy Review and Outlook

The Indian economy has shown resilience in the face of global uncertainties, with growth projections for the fiscal year 2025-26 expected to remain robust. India's GDP growth is forecast to be around 6% to 6.5%, supported by strong domestic consumption, infrastructure development, and an expanding manufacturing sector. Key drivers of this growth include ongoing government initiatives such as the National Infrastructure Pipeline (NIP), Smart Cities Mission, and Make in India, which are expected to stimulate demand across various sectors.

However, challenges such as inflationary pressures, particularly in food and energy prices, and global economic slowdowns may pose risks. Rising crude oil prices, along with supply chain disruptions, could affect production costs. Additionally, geopolitical tensions and global trade dynamics may influence India's external sector, particularly export growth.

Despite these challenges, India is likely to remain one of the fastest-growing major economies, with favorable demographic trends, increasing urbanization, and a growing middle class.

##### Steel Industry Review for FY 2024-25:

The Indian steel industry has witnessed steady growth in FY 2024-25, driven by both domestic demand and export opportunities. Steel production in India increased by approximately 6% in 2024, reaching around 149 million tonnes. The sector benefited from strong demand in the infrastructure, automotive, and construction sectors, which are major consumers of steel. India's steel exports also saw positive growth, with a significant rise in exports to regions like the Middle East, Africa, and Southeast Asia.

Government policies such as the National Steel Policy 2017, which aims for a production capacity of 300 million tonnes by 2030, have provided a strong foundation for the industry's growth. Additionally, initiatives promoting green steel production and energy efficiency have started to shape the future trajectory of the industry. However, challenges like high raw material costs, competition from cheap imports, and regulatory uncertainties continue to impact profitability.

##### Steel Industry Outlook for FY 2025-26:

Looking ahead, the Indian steel industry is expected to maintain a growth trajectory in FY 2025-26, with production and demand forecasted to grow by 8% to 9%. Key factors influencing the outlook include:

- **Strong Domestic Demand:** Demand from infrastructure projects, housing, and the automotive sector will continue to be a major driver. Government spending on infrastructure, including roads, railways, and smart cities, will significantly contribute to this growth.
- **Policy Support:** The Indian government is likely to continue its focus on the steel sector with measures aimed at protecting domestic manufacturers from cheap imports, including potential safeguard duties. Additionally, incentives for green steel production and sustainability practices are expected to accelerate investment in cleaner technologies.

- **Global Market Trends:** India's role as a leading global steel producer and exporter will remain significant. With growing demand in markets like Africa, the Middle East, and Southeast Asia, India is poised to capitalize on these opportunities. However, global trade uncertainties and potential price fluctuations of raw materials could impact export performance.
- **Environmental and Regulatory Challenges:** As environmental concerns grow, the Indian steel industry will be under pressure to adopt cleaner production methods. The shift towards green hydrogen and electric arc furnaces (EAFs) will be key trends, helping the industry reduce its carbon footprint and meet regulatory requirements.
- **Technological Advancements and Innovation:** Investment in modernizing production facilities and adopting Industry 4.0 technologies, including automation, artificial intelligence, and data analytics, will enhance productivity and cost efficiency.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

India's appeal as a destination for investments has grown stronger and more sustainable as a result of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

## MARKET SIZE

India's nominal gross domestic product (GDP) at current prices is estimated to be at 351.87 trillion (US\$ 4.22 trillion) in 2025-26. Additionally, the Nominal GDP at current prices in Q1 of 2025-26 is estimated to be 76.33 trillion (US\$ 914.98 billion), as against 70.67 trillion (US\$ 848.92 billion) in Q1 of 2023-24, estimating a growth of 8%. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India must continue to accelerate its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030 to sustain higher productivity and economic expansion. To achieve an annual GDP growth rate of 8-8.5% during this period, the net employment rate must increase by 1.5% each year.

India's current account deficit (CAD) has further improved, decreasing to US\$ 7.5 billion in Q1 of 2025-26 from US\$ 9.2 billion in Q1 of 2023-24, continuing the positive trend in the reduction of CAD. This signifies a more stable external sector and ongoing efforts to manage economic balances.

Exports, which played a key role in India's recovery during the pandemic, are expected to face mixed results in the coming years, as global economic conditions remain volatile and several of India's trade partners experience slowdowns. However, India's export sector is still projected to show resilience. According to Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution, and Textiles, India's exports are still on track to reach the target of US\$ 1 trillion by 2030, contributing significantly to future economic growth.

### Key Updates:

**Employment and Growth:** The goal of creating 90 million non-farm jobs and achieving 8-8.5% GDP growth remains a priority, with a focus on the annual growth of net employment.

**Current Account Deficit:** The CAD continues to improve, with a reduction in Q1 of 2025-26 compared to earlier years.

**Exports Outlook:** While export growth may face challenges due to global slowdowns, India remains committed to achieving US\$ 1 trillion in exports by 2030, with exports playing a significant role in economic recovery and growth.

## RECENT DEVELOPMENTS

As of April 2025, the global steel industry has experienced significant developments, influenced by policy changes, market dynamics, and technological advancements.

### India's Steel Industry:

**Domestic Demand Growth:** India's steel demand is projected to grow by 8-9% in 2025, driven by increased activity in housing and infrastructure sectors.

**Production Performance:** In the fiscal year 2024-2025, India's crude steel production is expected to rise by 6% year-on-year. However, the share of Blast Furnace-Basic Oxygen Furnace (BF-BOF) processes is anticipated to decline.

**Policy Initiatives:** The Indian government has revised its steel procurement policies under the "Domestically Manufactured Iron And Steel Products Policy 2025," aiming to prioritize locally produced steel and protect domestic manufacturers from rising imports, particularly from China, South Korea, and Japan.

**Green Steel Transition:** India is exploring green hydrogen-based steel production and circular economy models to reduce carbon emissions. However, green steel remains 30-50% more expensive than traditional methods, posing challenges to cost competitiveness.

### **Global Developments:**

**Trade Policies:** In April 2025, U.S. President Donald Trump announced significant tariffs on imports from various countries, including a 20% tariff on European Union imports. While steel and aluminium were spared from additional tariffs, these measures have introduced volatility in global trade and raised concerns about potential retaliatory actions.

**Production Forecast:** Global crude steel production is forecasted to increase modestly in 2025 compared to 2024, marking the first annual rise since 2021. This growth is expected to be driven by increases in production in North America, Europe, the Middle East, and India, while China's production may remain subdued.

**Market Outlook:** Fitch Ratings maintains a 'neutral' outlook for the global steel sector in 2025, anticipating a slight recovery after a challenging period, with regional variations in demand and production.

These developments underscore the dynamic nature of the steel industry, influenced by national policies, international trade agreements, and evolving market demands.

According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- The Ministry of Steel has successfully secured ₹18,000 crore (US\$ 2.2 billion) in the national budget for 2025-26 to help steel manufacturers adopt cleaner production technologies. This support is aimed at helping companies reduce emissions and improve energy efficiency in line with India's sustainability goals.
- As of 2025, the Indian government revised its steel procurement policy to prioritize domestically manufactured steel for government projects and infrastructure initiatives. This policy is designed to shield domestic manufacturers from an influx of cheap imported steel, particularly from China and other countries with excess production capacities.
- India's PLI Scheme for Specialty Steel has continued its momentum in 2025. The scheme has seen strong investments from both domestic and international companies, with a focus on producing high-value steel used in automobiles, defense, and other specialized sectors.
- The Indian government launched the Green Steel Mission in early 2025, aimed at reducing the carbon footprint of steel production by supporting the adoption of green technologies such as hydrogen-based steelmaking. The mission has an allocation of ₹25,000 crore (US\$ 3 billion) over the next five years.
- As of 2025, India's crude steel production has grown by around 4.5% year-on-year. India's total steel production reached approximately 120 million tonnes by mid-2025, up from 115 million tonnes in 2024, supported by increasing demand in infrastructure and manufacturing sectors.

As of August 2023, India's foreign exchange reserves stood at US\$ 594.90 billion.

- In the first half of 2023-24, India saw a total of US\$ 21 billion in PE-VC investments.
- Merchandise exports in September 2023 stood at US\$ 34.47 billion, with total merchandise exports of US\$ 211.40 billion during the period of April-September (2023-24).
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- PMI Services remained comfortably in the expansionary zone at 62.3 in the month of June 2023.
- In September 2023, the gross Goods and Services Tax (GST) revenue collection stood at ₹1,62,712 crores (US\$ 19.54 billion), of which CGST is 29,818 crore (US\$ 3.58 billion), SGST is 37,657 crore (US\$ 4.52 billion), IGST is 83,623 crore (US\$ 10.04 billion).
- Between April 2000–June 2023, cumulative FDI equity inflows to India stood at US\$ 937.58 billion.
- In August 2023, the overall IIP (Index of Industrial Production) stood at 145.1. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 111.9, 143.5 and 220.5, respectively, in August 2023.

- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.02% in September 2023.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to 80,500 crores (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold 4,500 crores (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested 22,000 crores (US\$ 2.67 billion) in India during the first week of July 2023.
- The wheat procurement during RMS 2023-24 (till May) was estimated to be 262 lakhs metric tonnes (LMT) and the rice procured in KMS 2023-24 was 385 LMT. The combined stock position of wheat and rice in the Central Pool is over 579 LMT (Wheat 312 LMT and Rice 267 LMT).

## GOVERNMENT INITIATIVES

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- National Steel Policy 2017 (Revised for 2025 and Beyond) The Indian government has revamped the National Steel Policy (NSP) to meet the future demands of the country and align with global market dynamics. The revised policy aims to increase India's steel production capacity to 50 million tonnes by 2030, with a focus on improving the quality of steel produced. A significant aspect of this policy is the goal of raising per capita steel consumption in India to 160 kg. The policy also prioritizes sustainability, calling for reducing carbon emissions and promoting the use of cleaner technologies in steel manufacturing.
- Green Steel Mission (2025) To ensure the steel industry aligns with India's climate goals, the government introduced the Green Steel Mission. This mission focuses on reducing the carbon footprint of steel production. An investment of ₹25,000 crore (US\$ 3 billion) has been earmarked for the adoption of green technologies such as hydrogen-based steelmaking and electric arc furnaces. The mission's target is to reduce emissions from the steel industry by 30% by 2030. This initiative will not only help India achieve its Net Zero target by 2070 but also position the country as a global leader in sustainable steel production.
- Production Linked Incentive (PLI) Scheme for Specialty Steel In 2025, the government continues its push for the PLI Scheme for Specialty Steel, which incentivizes manufacturers to produce high-quality steel used in sectors like automobiles, defence, and heavy industries.
- On August 6th, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28th, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1st, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'Atma Nirbhar Bharat' and 'Local goes Global'.
- In order to enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of 1,500 crores (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1st, 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on December 29th, 2022 by the Ministry of Railways.
- On October 7th, 2022, the Department for Promotion of Industry and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).
- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.

- Home & Cooperation Minister Mr. Amit Shah laid the foundation stone and performed Bhoomi Pujan of Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of 2,000 crores (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of 5,963 crores (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for IT companies and start-ups in both countries.
- India and Namibia entered a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20th, 2022, for establishing the cheetah into the historical range in India.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (₹) in order to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- The Agnipath Scheme aims to develop a young and skilled armed force backed by an advanced warfare technology scheme by providing youth with an opportunity to serve Indian Army for a 4-year period. It is introduced by the Government of India on June 14th, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth 21,000 crores (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on July 11th, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of bio capsule, an encapsulation technology for bio-fertilization on June 30th, 2022.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- 'Mission Shakti' was applicable with effect from April 1st, 2022, aimed at strengthening interventions for women's safety, security and empowerment.
- The Union Budget of 2022-23 was presented on February 1st, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM Gati Shakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at 10.68 trillion (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to 20 crores (US\$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.
- Under PM Gati Shakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth 20,000 crores (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, The Ministry of Social Justice & Empowerment launched the Scheme for Economic Empowerment of De-notified /Nomadic/Semi Nomadic tribal communities (DNTs) (SEED) to provide basic facilities like good quality coaching, and health insurance. livelihoods initiative at a community level and financial assistance for the construction of houses.

- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of Atma Nirbhar Bharat and create 60 lakh jobs with an additional production capacity of 30 trillion (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production-linked incentive (PLI) scheme for domestic solar cells and module manufacturing of 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production-linked incentive (PLI) scheme for Bulk Drugs which was an investment of 2,500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production-linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth ₹ 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of 2.38 trillion (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced 2.65 trillion (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~₹ 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29th, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31st, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system and help fuel liquidity and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY23; it is expected to raise 4 trillion (US\$ 53.58 billion) in the next three years.
- By November 1st, 2021, India and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.



- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025.

### Market size



In the past 10–12 years, India's steel sector has expanded significantly. Production has increased by 75% since 2008, while domestic steel demand has increased by almost 80%. The capacity for producing steel has grown concurrently, and the rise has been largely organic.

In April-October 2024, crude steel production in India stood at 84.94 MT.

In April-October 2024, finished steel production stood at 82.65 MT.

In FY25 (April-October), the consumption of finished steel stood at 85.71 MT.

In April-September 2024 exports of finished steel stood at 2.32 metric tonnes (MT), while imports stood at 4.70 MT.

In FY23, the production of crude steel and finished steel stood at 125.32 MT and 121.29 MT, respectively.

In FY24, the production of crude steel and finished steel stood at 143.6 MT and 138.5 MT, respectively.

In FY23, crude and finished steel production stood at 125.32 MT and 121.29 MT, respectively. In July 2023, crude steel production in India stood at 11.52 MT.

In FY24, the consumption of finished steel stood at 135.90 MT. The per-capita consumption of steel stood at 86.7 kgs in FY23.

In FY22, the production of crude steel and finished steel stood at 133.596 MT and 120.01 MT, respectively. The consumption of finished steel stood at 105.751 MT in FY22. In FY23, the consumption of finished steel stood at 119.17 MT. In April-July 2022, the production of crude steel and finished steel stood at 40.95 MT and 38.55 MT, respectively.

In FY23, exports and imports of finished steel stood at 6.7 MT and 6.02 MT, respectively. In FY22, India exported 11.14 MT of finished steel. In April 2024 exports of finished steel stood at 5.1 lakh metric tonnes (LMT), while imports stood at 5.9 LMT. In FY24, the exports and imports of finished steel stood at 7.49 MT and 8.32 MT, respectively.

The annual production of steel is anticipated to exceed 300 million tonnes by 2030-31. By 2030-31, crude steel production is projected to reach 255 million tonnes at 85% capacity utilisation achieving 230 million tonnes of finished steel production, assuming a 10% yield loss or a 90% conversion ratio for the conversion of raw steel to finished steel. With net exports of 24 million tonnes, consumption is expected to reach 206 million tonnes by the years 2030–1931. As a result, it is anticipated that per-person steel consumption will grow to 160 kg.

### Investments

The steel industry and its associated mining and metallurgy sectors have seen major investments and developments in the recent past.

According to the data released by the Department for Promotion of Industry and Internal Trade (DPIIT), between April 2000-March 2023, Indian metallurgical industries attracted FDI inflows of US\$ 17.23 billion.

In FY22, demand for steel was expected to increase by 17% to 110 million tonnes, driven by rising construction activities.

Some of the major investments in the Indian steel industry are as follows:

- In February 2024, The JSW Group is set to build a steel plant in Jagatsinghpur, Odisha, with an investment of US\$ 7.8 billion (Rs. 65,000 crore). The plant will have a production capacity of 13.2 million tons of steel per year and is expected to create 30,000 jobs.
- In February 2024, JSW Steel plans to establish a joint venture with Japan's JFE Steel Corporation in a 50:50 partnerships to invest US\$ 661.9 million (Rs. 5,500 crore) in setting up a plant in Karnataka.
- In January 2024, according to Mr. Lakshmi Mittal, Gujarat will host the world's largest steel manufacturing site by 2029 at the Vibrant Gujarat Summit.
- In November 2023, Steel Secretary Mr. Nagendra Nath Sinha said that India's steel capacity has crossed 161 million tonnes (MT), and the industry is poised for continuous growth.
- In October 2023, Government e-Marketplace, the national public procurement platform, signed a memorandum of understanding (MOU) with the Indian Steel Association (ISA). This partnership intends to bring all ISA members onto the GeM platform as sellers, promoting a diverse business environment regardless of their size.
- In July 2023, Union Minister Mr. Jyotiraditya Scindia announced that Japan is eager to invest ¥ 5 trillion (US\$ 36 billion), in various sectors in India, including steel.
- As announced in May 2023, INOX Air Products will invest Rs. 1,300 crores (US\$ 157.5 million) to set up two air separation units having a capacity of 1,800 tonnes a day each at Tata Steel's plant in Dhenkanal, Odisha.
- In May 2023, the industry body Indian Steel Association (ISA) announced signing an agreement with the ASEAN Iron and Steel Council (AISC) to unlock new avenues of growth and sustainability in the steel sector.
- Mr. Jyotiraditya M. Scindia, the Union Minister of Steel, and Mr. Nishimura Yasutoshi, the Minister of Economy, Trade, and Industry of Japan, held a bilateral meeting on July 20, 2023, in New Delhi to discuss collaboration in the steel sector and issues relating to decarbonisation.
- AMNS India is planning to spend US\$ 7.4 billion on expanding capacity and increasing its value-added investments in both its upstream and downstream capacities and enhancing its iron ore capabilities.
- In May 2023, JSW Steel and JFE Steel, signed an agreement to set up a JV company to manufacture the entire range of cold rolled grain-oriented electrical steel (CRGO) products at Vijaynagar in Karnataka.
- In April 2023, AMNS India, a joint venture between ArcelorMittal and Nippon Steel, received approval from India's regulatory body (NCLT) to acquire Indian Steel Corporation.
- Tata Steel in April 2023, informed that it has signed an agreement with A&B Global Mining to harness new business development opportunities and deliver my technical services. The steel major will closely work with ABGM India which will interface with their South African entity to explore business opportunities in India and abroad besides utilising each other's technical and strategic strengths to deliver projects across the mining and metals, including the steel value chain.
- 67 applications from 30 companies have been selected under the Production Linked Incentive (PLI) Scheme for Specialty Steel. This will attract committed investment of Rs. 42,500 crore (US\$ 5.19 billion) with a downstream capacity addition of 26 million tonnes and employment generation potential of 70,000.
- In September 2022, Steel Authority of India Limited (SAIL), a Maharatna PSU, supplied 30,000 tonnes of the entire DMR grade specialty steel for the nation's first indigenously built Aircraft Carrier INS Vikrant.
- In August 2022, Tata Steel signed an MoU with Punjab Government to set up a steel scrap based electric arc furnace steel plant.
- In May 2022, Tata Steel announced a CAPEX of Rs. 12,000 crore (US\$ 1.50 billion).

- In October 2021, Tata Steel was planning to set up more scrap-based facilities that will have a capacity of at least a billion tonnes by 2025.
- In October 2021, JSW Steel invested Rs. 150 billion (US\$ 19.9 billion) to build a steel plant in Jammu and Kashmir and boost manufacturing in the region.
- In October 2021, ArcelorMittal and Nippon Steel Corp.'s joint venture steel firm in India, announced a plan to expand its operations in the country by investing ~Rs. 1 trillion (US\$ 13.34 billion) over 10 years.
- In August 2021, Tata Steel announced to invest Rs. 8,000 crores (US\$ 1.08 billion) in capital expenditure to develop operations in India in FY22.
- In August 2021, ArcelorMittal announced to invest Rs. 1 lakh crore (US\$ 13.48 billion) in Gujarat for capacity expansion.
- In August 2021, Tata Steel announced to invest Rs. 3,000 crores (US\$ 404.46 million) in Jharkhand to expand capacities over the next three years.
- In August 2021, Jindal Steel & Power Ltd. announced plans to invest US\$ 2.4 billion to increase capacity over the next six years to meet the rising demand from customers.
- In the next three years from June 2021, JSW Steel is planning to invest Rs. 47,457 crores (US\$ 6.36 billion) to increase Vijayanagar's steel plant capacity by 5 MTPA and establish a mining infrastructure in Odisha

## Global Macroeconomic Overview

High uncertainty surrounds the global economic outlook, primarily related to the path of the pandemic. The contraction of activity in 2020 was unprecedented. After an estimated contraction of –3.3 percent in 2020, the global economy is projected to grow at 6 percent in 2021, moderating to 4.4 percent in 2022. The contraction for 2020 is smaller than projected in the October 2020 World Economic Outlook (WEO), reflecting the higher-than-expected growth outturns in the second half of the year for most regions after lockdowns were eased and as economies adapted to new ways of working. Global growth is expected to moderate to 3.3 percent over the medium term—reflecting projected damage to supply potential and forces that predate the pandemic, including aging-related slower labour force growth in advanced economies and some emerging market economies. However, emerging market economies and low-income developing countries have been hit harder and are expected to suffer more significant medium-term losses.

## Government Initiatives

Some of the other recent Government initiatives in this sector are as follows:

- In October 2021, the government announced guidelines for the approved specialty steel production-linked incentive (PLI) scheme.
- In October 2021, India and Russia signed an MoU to carry out R&D in the steel sector and produce coking coal (used in steel making).
- In July 2021, the Union Cabinet approved the production-linked incentive (PLI) scheme for specialty steel. The scheme is expected to attract investment worth ~Rs. 400 billion (US\$ 5.37 billion) and expand specialty steel capacity by 25 million tonnes (MT), to 42 MT in FY27, from 18 MT in FY21.
- In June 2021, Minister of Steel & Petroleum & Natural Gas, Mr. Dharmendra Pradhan addressed the webinar on 'Making Eastern India a manufacturing hub with respect to metallurgical industries', organised by the Indian Institute of Metals. In 2020, 'Mission Purvodaya' was launched to accelerate the development of the eastern states of India (Odisha, Jharkhand, Chhattisgarh, West Bengal and the northern part of Andhra Pradesh) through the establishment of an integrated steel hub in Kolkata, West Bengal. Eastern India has the potential to add >75% of the country's incremental steel capacity. It is expected that of the 300 MT capacity by 2030-31, >200 MT can come from this region alone.
- In June 2021, JSW Steel, CSIR-National Chemical Lab (NCL), Scottish Development International (SDI) and India H2 Alliance (IH2A) joined forces to commercialise hydrogen in the steel and cement sectors.
- Under the Union Budget 2023-24, the government allocated Rs. 70.15 crore (US\$ 8.6 million) to the Ministry of Steel.
- In addition, an investment of Rs. 75,000 crores (US\$ 9.15 billion) (including Rs. 15,000 crores (US\$ 1.83 billion) from private sources) has been allocated for 100 critical transport infrastructure projects for last and first mile connectivity for various sectors such as ports, coal, and steel.

- In January 2021, the Ministry of Steel, Government of India, signed a Memorandum of Cooperation (MoC) with the Ministry of Economy, Trade and Industry, Government of Japan, to boost the steel sector through joint activities under the framework of India–Japan Steel Dialogue.
- The Union Cabinet, Government of India approved the National Steel Policy (NSP) 2017, as it intends to create a globally competitive steel industry in India. NSP 2017 envisage 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030-31.
- The Ministry of Steel is facilitating the setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs. 200 crores (US\$ 30 million).
- The Government of India raised import duty on most steel items twice, each time by 2.5% and imposed measures including anti-dumping and safeguard duties on iron and steel items.

### **Road ahead**

The steel industry has emerged as a major focus area given the dependence of a diverse range of sectors on its output as India works to become a manufacturing powerhouse through policy initiatives like Make in India. With the industry accounting for about 2% of the nation's GDP, India ranks as the world's second-largest producer of steel and is poised to overtake China as the world's second-largest consumer of steel. Both the industry and the nation's export manufacturing capacity have the potential to help India regain its favourable steel trade balance.

The National Steel Policy, 2017 envisage 300 million tonnes of production capacity by 2030-31. The per capita consumption of steel has increased from 57.6 kgs to 74.1 kgs during the last five years. The government has a fixed objective of increasing rural consumption of steel from the current 19.6 kg/per capita to 38 kg/per capita by 2030-31. As per Indian Steel Association (ISA), steel demand will grow by 7.2% in 2019-20 and 2020-21.

Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

## BUSINESS OVERVIEW

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For the purpose of discussion of certain risks in connection with investment in the Equity Shares, you should read 'Risk Factors' beginning on page 18 of this Draft Letter of Offer, and for the purpose of discussion of the risks and uncertainties related to those statements, as well as for the discussion of certain factors that may affect our business, financial condition, you should read 'Financial Statements' on Page 73 of this Draft Letter of Offer.*

*ASHNISHA INDUSTRIES LIMITED was originally incorporated under the provisions of The Companies Act, 1956 as 'Ashnisha Alloys Private Limited' on 27<sup>th</sup> July, 2009, with the Registrar of Companies, Gujarat. However, Company subsequently converted into public company. The company was converted from Private Limited to Public Limited on 14/03/2017 and consequently the name of the company was changed from 'Ashnisha Alloys Private Limited' to 'Ashnisha Alloys Limited'. Thereafter the name of the company was changed to "Ashnisha Industries Limited" pursuant to a special resolution passed in an extra-ordinary general meeting of our shareholders dated March 22, 2017 and a fresh certificate of incorporation dated March 29, 2017, consequent on such change of name was issued to our Company by the Registrar of Companies, Gujarat.*

*Scheme of Arrangement in the nature of demerger of Trading and Investment Business of Lesha Industries Limited and vesting the same into Ashnisha Alloys Private Limited pursuant to section 391 to 394 and other relevant provision of the Companies Act, 1956 was sanctioned by National Company Law Tribunal (NCLT) vide Order No. T.P.NO. 38/NCLT/AHM/2017 dated 29<sup>th</sup> May 2017. The equity shares of our company got listed on July 31, 2018, with BSE. The registered office of our Company is located at Ashoka Chambers, 7<sup>th</sup> Floor, Mithakhali Six Roads, Ahmedabad, Gujarat, 380006, India.*

*Ashnisha Industries Limited was founded in 2009. The company primarily is into business of trading of various steels product.*

## OUR PRODUCT RANGE

### Products and Services:

**Our company is primarily engaged in the trading of following steel products:**

Sr. No.	Name of the product	Description
1.	TMT Bars	Our company mainly engaged in the trading of TMT Bars. Company sells TMT Bars of 25 ,20, 16, 12, 10 and 8 m.m.
2.	Round Bars	Our company also trade in Round bars. It is available in various diameters; these bars are extensively used for engineering component, forging industry, foundation bolts and shaftings.
3.	Angles	Angle bars are steel bars that are used as support for corners and outer rims that are used for various walls and surfaces. Angle bars are applied to surfaces using drilled fastening methods or through welding. Angle bars are usually L shaped, and when fitted together, can create inside angles and outside angles.
4.	MS Bars	Mild steel bars or MS Bars are used for tensile stress of RCC (Reinforced cement concrete) slab beams etc. in reinforced cement concrete work. These steel bars are plain in surface and are round sections of diameter from 6 to 50 mm. These rods are manufactured in long lengths and can be cut quickly and be bent easily without damage. Mild steel is used for remelting, alloying and manufacturing of fabrication of various structures. The Steel generally made of low Carbon and Silicon. The yield strength values are very low for Mild Steel; Therefore it is not used for special purpose of reinforcing and heavy structure manufacturing.
5.	Channels	Steel channels are used ideally as supports and guide rails. These are roll-formed products. There are certain variations that are available in the channels category, the categorization is mainly on the shape of the channel, the varieties are- J Channels, Hat channels, U channels, Hemmed channels etc. The steel angles are used in construction, appliances, transportation, making signposts, used in wood flooring for athletic purposes, installing and making windows and doors.

## KEY STRENGTHS

### 1. Wide Products Range

The company primarily is into business of trading of various steels products. The Products offered by the company are wide and have application in various fields. This will help our new line of business to grow and expand.

## **2. Quality Assurance**

Our Company is dedicated towards quality of our products which will help us to maintain long term relations with our customers and has also facilitate us to entrench with new customers. Our Company's this dedication and quality commitment will help it in its new diversified business.

## **3. Experienced Management Team**

The management team has immense knowledge of the new line of business and industry. They also have over 20 years of experience in various industries.

The Promoters and Directors have been involved in the day- to- day business and management of our Company. We also have a dedicated and experienced management group who are in charge of operation, quality management and delivery to each of our customers and functions well as a team along-with the expertise and vision to expand our business. We believe that our management team's experience and their understanding of the relevant industry will enable us to continue to take advantage of both current and future market opportunities. Our experience together with our consistent and successful track record of timely delivery and customer satisfaction provides us a competitive edge.

## **BUSINESS STRATEGIES**

### **1. Optimize Cost and Efficiencies**

Our Company seeks to expand and enhance our presence in our existing business by identifying markets where we can provide cost effective, technically advanced products to our customers. Our Company plans to cater to various customers from different geographical locations. Our Company would also aim to build-up our sales force which will enable us to effectively market our products. We regularly analyze our existing policies to be carried out for our technical and designing process which enables us to identify the areas of bottlenecks and correct the same. This helps us in improving efficiency and putting resources to optimal use.

### **2. Expand our Current Business Relationships**

Our goal is to build long-term sustainable business relationships with our customers to generate increasing revenues. We plan to continue to expand the scope and range of products provided to our existing customers by continuing to build our expertise and extending our capabilities. we are also going to set-up new office premises to ensure efficiency, productivity, and a conducive work environment.

## **SALES, MARKETING, AND DISTRIBUTION**

As part of customer acquisition strategy, we provide value added services to our customers. We conduct our marketing and advertising campaigns on both local and regional bases.

Our Company has marketing and sales distribution channel all over India. Company has in place a Dealer Policy Manual which guides on the method of selection of dealers, criteria used to select, setting commercial terms and monitoring of performance. Company has a Dealer Price List which are circulated to all Authorized Dealers and revised/reviewed from time to time. Company will focus on dealer promotional activities, training and providing after sales service support while actual counter sales will be done by the dealers/shopkeepers. Company will spend reasonable amount in marketing and infrastructure projects to reach out to more customers.

## **DESCRIPTION OF SUBSISTING COLLABORATIONS**

As on date of this Draft Letter of Offer, our Company does not have any collaboration's nor any performance guarantee or assistance in marketing by the collaborators, infrastructure facilities for raw materials and utilities like water, electricity, etc for our products and services.

## **SOLAR POWER ENERGY**

The company is planning to set up a Solar Power Plant of 3 MW in a phased manner, for the same, the company has received approval from Gujarat Energy Development Authority and has entered into a Power purchase agreement with Uttar Gujarat Vij Company Limited for setting up of 1.5 MW project. Company has allotted land for this project and started its development; company has also placed order with the EPC Company who is going to deliver Solar Panel and other equipment and provide for its installations thereof. The funds are being raised for setting up and development of the remaining 1.5 MW project.

## HISTORY AND CORPORATE STRUCTURE

### BRIEF CORPORATE HISTORY OF OUR COMPANY

Ashnisha Industries Limited was originally incorporated under the provisions of The Companies Act, 1956 as 'Ashnisha Alloys Private Limited' on 27<sup>th</sup> July, 2009, with the Registrar of Companies, Gujarat. However, Company subsequently converted into public company. The company was converted from Private Limited to Public Limited on 14/03/2017 and consequently the name of the company was changed from 'Ashnisha Alloys Private Limited' to 'Ashnisha Alloys Limited'. Thereafter the name of the company was changed to "Ashnisha Industries Limited" pursuant to a special resolution passed in an extra-ordinary general meeting of our shareholders dated March 22, 2017 and a fresh certificate of incorporation dated March 29, 2017, consequent on such change of name was issued to our Company by the Registrar of Companies, Ahmedabad, Gujarat.

**Scheme of Arrangement in the nature of demerger of Trading and Investment Business of Lesha Industries Limited and vesting the same into Ashnisha Alloys Private Limited pursuant to section 391 to 394 and other relevant provision of the Companies Act 1956 sanctioned by Ahmedabad Bench of the Hon'ble National Company Law Tribunal (NCLT) vide Order No. T.P.NO. 38/NCLT/AHM/2017 on dated 29<sup>th</sup> May 2017. The equity shares of our company got listed on July 31, 2018, with BSE.**

Our Company is bearing Scrip ID 'ASHNI', Scrip Code '541702', and ISIN 'INE694W01024'. The Corporate Identification Number of our Company is L74110GJ2009PLC057629.

### CHANGES IN OUR REGISTERED OFFICE

There is no change in the registered office of our Company situated at 7<sup>th</sup> Floor, Ashoka Chambers, Mithakhali, Six Roads, Ahmedabad- 380006 Gujarat, India.

### MAIN OBJECTS OF OUR COMPANY

The main objects contained in the Memorandum of Association of our Company are as mentioned below:

1. To carry on the business of manufacturer, Importer, exporter, trading of stainless steel, Special steel, alloy steel, ferrous and non-ferrous metals from scrap of iron ore or any other similar raw materials and to manufacture in the foundry casting ingots or billets, pipes and tubes.
2. To carry on and undertake as its principal business, the business of finance investment and to finance lease operation of all kinds of purchasing, selling, hiring or letting on hire all kinds of plant and machinery and equipment that the company may think fit and to assist in financing of all every kind and description of the purchase of deferred payment or similar transactions and to subsidise, finance or assist in subsidising or financing the sale maintenance of any goods, articles or commodities of all and every kind and description upon any land and buildings, plant and machinery equipment, ships, aircraft, automobiles, computers and all consumer commercial and industrial items regardless of whether the property purchased by new and or used and from India or from any part of the world.
3. To carry on the business as manufacturers, formulators, processors, producers, makers, buyers, sellers, re-sellers, importers, exporters, distributors, suppliers, fermentators, distillers, refiners, stockiests, agents, merchants, of and dealers in all types, sizes and kinds of chemical compounds (organic and Inorganic) in all forms (solid, liquid and gaseous) and of all kinds of organic heavy chemicals, adds, alkalies, tannin extracts solvents, dye stuffs, dyes, intermediates, bulk drugs and its intermediates colour, chemical auxiliaries, biochemicals, and its related preparations, articles and products either in or outside India.
4. To carry on In India or elsewhere, either alone or Jointly with one or more persons, government, local or other bodies, the business to construct, build, alter, acquire, convert, improve, design, erect, establish, equip, develop, dismantle, pull down, turn to account, furnish, level, decorate, fabricate, Install, finish, repair, maintain, search, survey, examine, test, inspect, locate, modify, own, operate protect, promote, provide, participate, reconstruct, grout, dig, excavate, pour, renovate, remodel, rebuild, undertake, contribute, assist, and to act as civil engineer, consultant, advisor, agent, broker, supervisor, administrator, contractor, sub-contractor, turnkey contractor and manager of all types of constructions and developmental work in all its branches such as roads, ways, culverts, dams, bridges, railways, tramways, water distribution and filtration systems, docks, harbours, piers, irrigation works, foundation works, flyovers, airports, runways, rock drilling, aqueducts, stadiums, hydraulic units, sanitary work, power supply works, power stations, hotels, hospitals, dharmashalas, multi-stories, colonies, complexes, housing projects and other similar works and for the purpose acquire, handover, purchase, sell, own, cut to size, develop, distribute, or otherwise to deal in all sorts of lands and buildings and to carry on all or any of the foregoing activities of building materials, goods, plants, machineries, equipments, accessories, parts, tools fittings, articles, materials and facilities of whatsoever nature.



5. To carry out the business of managing, supervising and controlling the business of transmitting, supplying, generating, distributing and dealing in electricity and all forms of energy and power generated by any source whether steam, hydro or tidal, water, wind, solar, hydrocarbon fuel or any other form, kind of description and in PV (Photo Voltaic), Modules (Panel), Solar Invertors, Charge, Controller, Mounting Structure, Wires, PV Solar Heater, Batteries, Solar Lanterns and Solar Chargeable Lights, Fans etc.

6. To carry out business of manufacturing, trading, import, export, installation and operation of Solar Systems for energy generation including Solar Photovoltaic, Solar Thermal, Solar Chimney and other Solar based devices used in households, industry and commercial establishments and setting up of green field Solar Plants of various sizes, envisaging, identifying and acquiring and setting suitable land, developing the site for Solar Parks; design, engineer, supply, erect, commission and, or operate and maintain the plants, accessories, components, spare parts thereof and provide renewable energy solutions; Sell or otherwise dispose of part or whole of the Solar Plants, both in India and abroad.

## **CHANGES IN MEMORANDUM OF ASSOCIATION**

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Date of Meeting</b>	<b>Type of Meeting</b>
1.	To increase the Authorised Share Capital of the Company – Ordinary Resolution	30-07-2016	EGM
2.	Insertion of new object in the object clause of Memorandum of Association of the Company – Special Resolution	30-07-2016	EGM
3.	Conversion of Company from Private Limited to Public Limited - Special Resolution	30-07-2016	EGM
4.	Change the Name of the Company - Special Resolution	22-03-2017	EGM
5.	To increase the Authorised Share Capital of the Company – Ordinary Resolution	17-06-2017	EGM
6.	To increase the Authorised Share Capital of the Company – Ordinary Resolution	14-08-2017	AGM
7.	Insertion of new object in the object clause of Memorandum of Association of the Company – Special Resolution	28-09-2019	AGM
8.	Insertion of new object in the object clause of Memorandum of Association of the Company – Special Resolution	30-09-2020	AGM
9.	Removal of objects from the object clause of Memorandum of Association of the Company – Special Resolution	30-09-2020	AGM
10.	Sub-Division/Split of Equity Shares of the Company from face value of Rs 10/- Each to face Value of Rs. 1/- Each - Ordinary Resolution	25-05-2022	EGM
11.	To increase the Authorised Share Capital of the Company – Ordinary Resolution	03-08-2022	AGM
12.	To increase the Authorised Share Capital of the Company – Ordinary Resolution	22-06-2023	EGM
13.	Insertion of new object in the object clause of Memorandum of Association of the Company – Special Resolution	02-09-2023	Postal Ballot
14.	To increase the Authorised Share Capital of the Company – Ordinary Resolution	01-03-2024	EGM
15.	To increase the Authorised Share Capital of the Company – Ordinary Resolution	01-03-2025	Postal Ballot



## OUR MANAGEMENT

### BOARD OF DIRECTORS

Our Articles of Association provide that our Board shall consist of minimum 3 (Three) Directors and not more than 15 (Fifteen) Directors, unless otherwise determined by our Company in a general meeting.

As on date of this Draft Letter of Offer, our Company currently has 6 (Six) directors on its Board, 1 (One) Executive Director, 1 (One) Non-Executive Non-Independent Director and 4 (Four) Independent Directors. The present composition of our Board of Directors and its committees are in accordance with the corporate governance requirements provided under the Companies Act and SEBI (LODR) Regulations, to the extent applicable.

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

Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original date of appointment, Change in designation and Period of Directorship	Other Directorships
<b>Mr. Ashok Chinubhai Shah</b> <b>Designation:</b> Managing Director <b>DIN:</b> 02467830 <b>Date of Birth:</b> 07/09/1944 <b>Age:</b> 81 years <b>Occupation:</b> Business <b>Address:</b> 98, Lavanya Soccity, Paldi, Ahmedabad- 380007, Gujarat, India <b>Nationality:</b> United States of America <b>Original Date of Appointment:</b> 27/07/2009 <b>Date of Re-appointment/ Regularization:</b> 21-12-2023 <b>Current Term:</b> 5 years w.e.f.21-12-2023 <b>Qualification:</b> Engineering Graduate <b>Experience:</b> He has studied in USA and is holding Engineering and administrative degrees and is having technical and administrative experience with various American Companies viz- worked as a Plant Manager for 11 years with M/s. IBM Corporation, USA; worked as Area Manager for North Western Region for M/s. Prudential Insurance Co., USA for 8 years, were also associated with NYSE as Licensed Broker with Merry II Lynch Corp., USA. He has more than 30 years of experience in Steel Trading and Manufacturing Business in India.  <b>Role in the Company:</b> Mr. Ashok Chinubhai Shah is, well qualified, and experienced and his appointment as a Managing Director will help the Company to plan, enter and grow in new business areas. His strong administrative and organisational skills will help the Company in managing its new and growing business.	<ol style="list-style-type: none"> <li>1. Gujarat Natural Resources Limited</li> <li>2. Ashoka Metcast Limited</li> <li>3. Lesha Industries Limited</li> <li>4. Rhetan TMT Limited</li> <li>5. Lesha Ventures Private Limited</li> </ol>
<b>Mr. Shalin Ashok Shah</b> <b>Designation:</b> Non-Executive - Non Independent Director <b>DIN:</b> 00297447 <b>Date of Birth:</b> 31/08/1973 <b>Age:</b> 52 years <b>Occupation:</b> Business <b>Address:</b> 98, Lavanya Soccity, Paldi, Ahmedabad Gujarat India 380007 <b>Nationality:</b> United States of America <b>Original Date of Appointment:</b> 27/07/2009 <b>Date of Re-appointment/ Regularization:</b> 27/07/2009 <b>Current Term:</b> NA <b>Qualification:</b> An Engineering Graduate <b>Experience:</b> He completed his Civil Engineering from L. D. Engineering College, Ahmedabad. He has more than 20 years' experience in various fields like trading, real estate, oil and Gas exploration etc. and has vast exposure into the fields of management, finance, accounting, information technology and legal. He has been guiding force behind the growth and business strategy of our Company	<ol style="list-style-type: none"> <li>1. Gujarat Natural Resources Limited</li> <li>2. Ashoka Metcast Limited</li> <li>3. Lesha Industries Limited</li> <li>4. Lesha Ventures Private Limited</li> <li>5. Rhetan TMT Limited</li> </ol>
<b>Mrs. Deepti Ghanshyam Gavali</b> <b>Designation:</b> Non-Executive - Independent Director	<ol style="list-style-type: none"> <li>1. Ashoka Metcast Limited</li> <li>2. Rhetan TMT Limited</li> </ol>

Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original date of appointment, Change in designation and Period of Directorship	Other Directorships
<b>DIN:</b> 10272798 <b>Date of Birth:</b> 12/02/1983 <b>Age:</b> 42 Years <b>Occupation:</b> Business <b>Address:</b> Flat No-A-5 Nandan Residency, Dhongade Nagar Road Nr. Swami Samarth Mandir, Nashik Road, Nashik Maharashtra India, 422101 <b>Nationality:</b> Indian <b>Original Date of Appointment:</b> 13/12/2024 <b>Date of Re-appointment/ Regularization:</b> 01/03/2025 <b>Current Term:</b> 5 Years w.e.f. 13/12/2024 <b>Qualification:</b> B.Sc. Graduate <b>Experience:</b> She has an experience of more than 9 years of managing business ventures belonging to various industries. Her versatile management skills and expertise can transform the business model and strengthen the organizational roots.	3. Gujarat Natural Resources Limited
<b>Mr. Yash Vishwanath Bodade</b> <b>Designation:</b> Non-Executive - Independent Director <b>DIN:</b> 10669649 <b>Date of Birth:</b> 31/03/2002 <b>Age:</b> 23 Years <b>Occupation:</b> Business <b>Address:</b> Plot No-186 Gat No-493/9/186 Bodade Niwas, Nr. Shainig Star, Shri Ram Adgaon, Shiwar, Nashik, Panchvati, Nashik Maharashtra India, 422003 <b>Nationality:</b> Indian <b>Original Date of Appointment:</b> 15/06/2024 <b>Date of Re-appointment/ Regularization:</b> 13/09/2024 <b>Current Term:</b> 5 Years w.e.f. 15/06/2024 <b>Qualification:</b> B.Sc. graduate <b>Experience:</b> Mr. Yash Bodade, aged 23 years, is a B.Sc. graduate having specialization in computer science. He has an experience of more than 2 years in managing portfolios of various clients in his financial consultancy and advisory firm.  His Technology & Finance related skills & knowledge will help the Company in taking strategic decision in the interest of the Company.	1. Gujarat Natural Resources Limited 2. Rhetan TMT Limited
<b>Mr.Swapnil Sharad Shimpi</b> <b>Designation:</b> Non-Executive - Independent Director <b>DIN:</b> 10469352 <b>Date of Birth:</b> 06/12/1980 <b>Age:</b> 44 Years <b>Occupation:</b> Business <b>Address:</b> Row House No.3, Ashiyana Prestige, Jaybhavani Road, Lonkar Mala, Nasik road, Nashik, Maharashtra, India, 422101 <b>Nationality:</b> Indian <b>Original Date of Appointment:</b> 22/01/2024 <b>Date of Re-appointment/ Regularization:</b> 01/03/2024 <b>Current Term:</b> 5 Years w.e.f. 22/01/2024 <b>Qualification:</b> Post Graduate <b>Experience:</b> He is a post graduate and he has done MBA in Marketing. His marketing and analytical skills will help in decision making in the interest of the Company.	1. Lesha Industries Limited
<b>Mr. Umangkumar Hirabhai Patel</b> <b>Designation:</b> Non-Executive – Independent Director <b>DIN:</b> 11104737 <b>Date of Birth:</b> 17/06/1985 <b>Age:</b> 40 Years <b>Occupation:</b> Business <b>Address:</b> 1-17, Patelvas, Borisana, Mahesana, Gujarat-382715	a. Lesha Industries Limited

Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original date of appointment, Change in designation and Period of Directorship	Other Directorships
<b>Nationality:</b> Indian <b>Original Date of Appointment:</b> 14/05/2025 <b>Date of Re-appointment/ Regularization:</b> 12/08/2025 <b>Current Term:</b> 5 Years w.e.f. 14/05/2024 <b>Qualification:</b> LL.B. Graduate <b>Experience:</b> Mr. Umangkumar Hirabhai Patel (DIN: 11104737), aged 39 years, is a LLB, Graduate. He has an experience of more than 12 years as an Advocate in District & Sessions court. His advocacy related skills & knowledge will help the Company in taking strategic decision in the interest of the Company.	b. Ashoka Metcast Limited

#### PAST DIRECTORSHIPS IN SUSPENDED COMPANIES

None of our Directors are, or were a director of any listed company, whose shares have been, or were suspended from being traded on any of the stock exchanges during the term of their directorships in such companies during the last 5 (Five) years preceding the date of this Draft Letter of Offer.

#### PAST DIRECTORSHIPS IN DELISTED COMPANIES

Further, none of our directors are or were a director of any listed company, which has been, or was delisted from any stock exchange during the term of their directorship in such Company during the last 10 (Ten) years preceding the date of this Draft Letter of Offer.

#### RELATIONSHIP BETWEEN DIRECTORS

Mr. Shalin Shah and Mr. Ashok C. Shah are related as Son-Father.

#### ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS

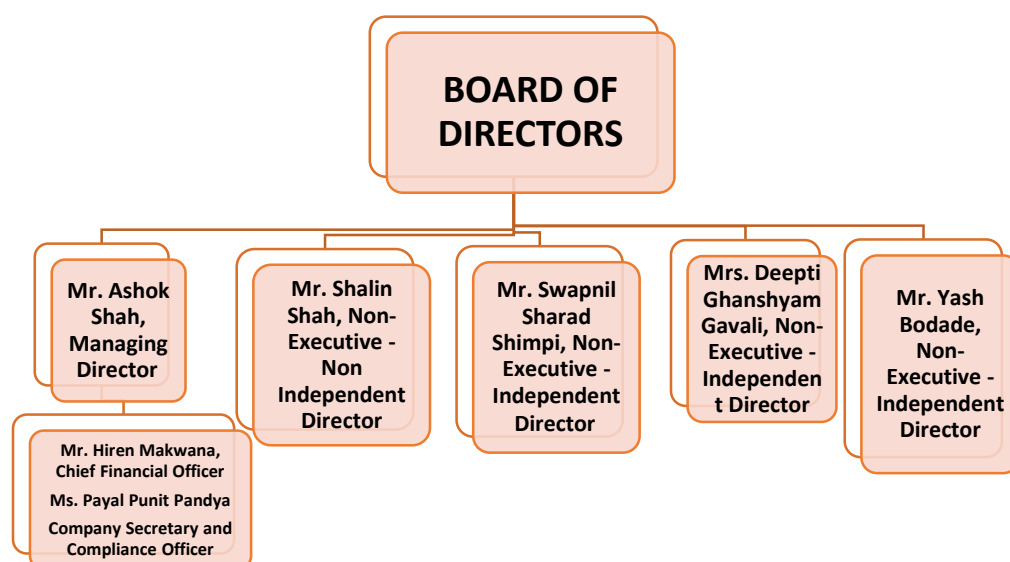
Our Company has not entered into any arrangement or understanding with major shareholders, customers, suppliers, or others pursuant to which any of the above-mentioned directors have been appointed in the Board.

#### DETAILS OF SERVICE CONTRACTS ENTERED WITH DIRECTORS

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

#### ORGANISATIONAL STRUCTUREANISATIONAL STRUCTURE

The following chart depicts our Management Organization Structure:



## CORPORATE GOVERNANCE

The Company is falling within the criteria of Regulation 15 (2) of SEBI (LODR) Regulations; therefore, the Corporate Governance requirement is applicable to the Company. The Company has complied with the requirements of corporate governance provisions composition of its board of directors, constitution of committees such as Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, etc. as prescribed under the provisions of the Companies Act.

### 1. AUDIT COMMITTEE

Our Company has constituted an audit committee ("Audit Committee"), as per the provisions of Section 177 of the Companies Act, 2013 and regulation 18 of SEBI LODR Regulations.

The terms of reference of Audit Committee complies with the requirements of Companies Act, 2013 and regulation 18 of SEBI LODR Regulations. The committee presently comprises following three (3) directors. The details of which are specified as under:

Name of the Member	Designation
Swapnil Sharad Shimpi	Chairperson
Deepti Ghanshyam Gavali	Member
Shalin Ashok Shah	Member

The role of the Audit Committee includes the following:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial Statements are correct, sufficient and credible;
- To recommend the appointment, re-appointment and removal of Auditors, fixing of audit fees and approval of payments;
- Reviewing with management the Annual Financial Statements before submission to the Board;
- Reviewing with the management and external Auditors, the adequacy of internal control systems
- Reviewing the adequacy of Cost Audit function;
- Discussing with Cost Auditors any significant findings and follow up on such issues;
- Discussing with the external Auditors before the Audit commences on the nature and scope of Audit, as well as having post Audit discussion to ascertain the area of concern, if any;
- Reviewing the Company's financial and risk management policies; and
- Examining reasons for substantial default in the payment to Shareholders (in case of non-payment of declared dividends) and creditors, if any
- To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- Review the internal audit reports relating to internal control weaknesses;
- Scrutinize inter-corporate loans and investments;
- Review the functioning of the Whistle blower mechanism
- Look after the risk assessment including fraud risk and risk guidelines governing the risk management process;
- Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 with reference to events which were regarded as UPSI, whether such UPSI were shared in the manner expected, instances of leaks, if any, instance of breaches of the Code, efficiency of sensitization process, etc. at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
- To investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice

### 2. NOMINATION AND REMUNERATION COMMITTEE

Our Company has constituted a Nomination and Remuneration Committee ("Nomination and Remuneration Committee") in terms of section 178 (3) of Companies Act, 2013 and regulation 19 of SEBI LODR Regulations. The Committee currently comprises of three (3) Directors. The details of which are specified as under:

Name of the Member	Designation
Deepti Ghanshyam Gavali	Chairperson
Swapnil Sharad Shimpi	Member
Shalin Ashok Shah	Member

The Company Secretary of our Company shall act as the Secretary to the Nomination and Remuneration Committee. The role of the Nomination and Remuneration Committee are as follows:

- To formulate criteria for evaluation and evaluate the performance of every director, including the Independent Directors;
- To identify and recommend to the Board, in accordance with the criteria as laid down, appointment/ reappointment/ removal of the Executive /Non-Executive Directors and the senior management of the Company;
- Recommend to the board appointment of key managerial personnel ("KMP" as defined by the Act) and executive team members of the Company (as defined by this committee).
- Carry out evaluation of every director's performance and support the board and independent directors in evaluation of the performance of the board, its committees and individual directors.
- This shall include "formulation of criteria for evaluation of independent directors and the Board"
- On an annual basis, recommend to the board the remuneration payable to the directors and oversee the remuneration to executive team or key managerial personnel of the Company.
- To monitor and handle any other matter relating to framing/administration of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 or any amendments thereof;
- Any other function as may be mandated by the Board or stipulated by the Companies Act, 2013, SEBI, Stock Exchanges or any other regulatory authorities from time to time.
- Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria lay down, and recommend to the Board their appointment and removal.
- The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

### 3. STAKEHOLDERS RELATIONSHIP COMMITTEE

Our Company has constituted a Stakeholders Relationship Committee ("*Stakeholders relationship committee*") to redress the complaints of the shareholders in terms of section 178 (5) of Companies Act, 2013 and regulation 20 of SEBI LODR Regulations. The committee currently comprises of three (3) Directors. The details of which are specified as under:

Name of the Member	Designation
Deepti Ghanshyam Gavali	Chairperson
Swapnil Sharad Shimpi	Member
Ashok Chinubhai Shah	Member

The role of the Stakeholders' Relationship Committee are as follows:

- To consider and resolve the grievances of security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- To consider and approve demat/ remat of shares / split / consolidation / sub-division of share / debenture certificates;
- To consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transposition of names, deletion of names transfers and transmission of securities, etc.
- To review adherence to the standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- To review of the 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;
- To deal with Shareholders' and Investors' complaints on matters relating to transfer of shares, non-receipt of annual report, non-receipt of dividends and matters related thereto.
- To exercise all power conferred on the Board of Directors under Articles of Association.
- Attending to complaints of Investor routed by SEBI / Stock Exchanges / RBI.

### KEY MANAGERIAL PERSONNEL

<b>MR. ASHOK CHINUBHAI SHAH</b>		81 years
<b>Designation</b>	Managing Director	
<b>Address</b>	98, Lavanya Soceity, Paldi, Ahmedabad Gujarat 380007	
<b>Date of Appointment</b>	27/07/2009	
<b>Nationality</b>	United States of America	
<b>Term of Appointment</b>		
<b>Qualification</b>	An Engineering Graduate	
<b>Functions and areas of working</b> as a managing director of the company		
<b>Experience:</b> He has studied in USA and is holding Engineering and administrative degrees and is having technical and administrative experience with various American Companies viz- worked as a Plant Manager for 11 years with M/s. IBM Corporation, USA; worked as Area Manager for North Western Region for M/s. Prudential Insurance Co., USA for 8 years, were also associated with NYSE as Licensed Broker with Merry		

<p>II Lynch Corp., USA. He has more than 30 years of experience in Steel Trading and Manufacturing Business in India.</p> <p><b>Date of Re-appointment/ Regularization:</b> 21-12-2023</p> <p><b>Current Term:</b> 5 years from 21<sup>st</sup> December, 2023</p>		
<p><b>MR. HIRENKUMAR TRIBHOVANDAS MAKWANA</b></p> <p>Designation Chief Financial Officer; Address 4/B Mayur Housing Society, Railway East, Kalol (North Gujarat) Date of Appointment December 27, 2023 Nationality Indian; Educational Qualification Graduate Term of Office Permanent Employee Details of previous employment Ashoka Metcast Limited</p> <p>Functions and areas of experience in the Company Mr. Hiren T. Makwana aged about 30 years is commerce graduate. He possesses more than six years of experience in the field of accountancy. He is capable to organize competent financial reporting. His appointment will not only aid the Company to fruitful investment of existing resources but also benefit the Company by providing strategic recommendation to the Management team to generate more assets for the Company.</p>		30 years
<p><b>MS. Payal Punit Pandya</b></p> <p>Designation Company Secretary and Compliance Officer Address A-302, Rajipa Avenue, Anandnagar Cross Road, Satellite, Ahmedabad Gujarat-380015 Date of Appointment May 03, 2025 Nationality Indian; Educational Qualification Company Secretary Term of Office Permanent Employee</p> <p>Functions and areas of experience in the Company Ms. Payal Punit Pandya aged about 37 years is Member of ICSI having Membership No. 34657. She is currently serving as the Company Secretary and Compliance Officer."</p>		37 Years

#### PROMOTERS/ PRINCIPAL SHAREHOLDERS

##### ASHOK CHINUBHAI SHAH

**DIN:**02467830

**Date of Birth:**07/09/1944

**Age:**81 years

**Occupation:** Business

**Address:**98, Lavanya Soceity, Paldi, Ahmedabad Gujarat India 380007

**Nationality:** United States of America

**Qualification:** An Engineering Graduate

**Experience:** He has studied in USA and is holding Engineering and administrative degrees and is having technical and administrative experience with various American Companies viz- worked as a Plant Manager for 11 years with M/s. IBM Corporation, USA; worked as Area Manager for North Western Region for M/s. Prudential Insurance Co., USA for 8 years, were also associated with NYSE as Licensed Broker with Merry II Lynch Corp., USA. He has more than 30 years of experience in Steel Trading and Manufacturing Business in India.

**Directorship:** Gujarat Natural Resources Limited, Ashoka Metcast Limited, Lesha Industries Limited and RhetanTMT Limited and Lesha Ventures Private Limited

##### SHALIN ASHOK SHAH

**DIN:**00297447



**Date of Birth:**31/08/1973

**Age:**52 years

**Occupation:** Business

**Address:**98, Lavanya Soceity, Paldi, Ahmedabad Gujarat India 380007

**Nationality:** United States of America

**Qualification:** An Engineering Graduate

**Experience:** He completed his Civil Engineering from L. D. Engineering College, Ahmedabad. He has more than 20 years' experience in various fields like trading, real estate, oil and Gas exploration etc. and has vast exposure into the fields of management, finance, accounting, information technology and legal. He has been guiding force behind the growth and business strategy of our Company

**Directorship:** Gujarat Natural Resources Limited, Ashoka Metcast Limited, Lesha Industries Limited and Rhetan TMT Limited and Lesha Ventures Private Limited

#### ASHOKA METCAST LIMITED

<b>CIN</b>	L70101GJ2009PLC057642		
<b>ROC Code</b>	Roc-Ahmedabad		
<b>Registration Number</b>	057642		
<b>Company Category</b>	Company limited by Shares		
<b>Company Sub-Category</b>	Non-govt company		
<b>Class of Company</b>	Public		
<b>Authorised Capital (Rs)</b>	75,00,00,000		
<b>Paid up Capital (Rs)</b>	24,99,60,000		
<b>Number of Members (Applicable in case of company without Share Capital)</b>	0		
<b>Date of Incorporation</b>	29/07/2009		
<b>Registered Address</b>	7th Floor, Ashoka Chambers Opp.HCG Hospital, Mithakhali Six Roads, Ahmedabad, Gujarat, India, 380006		
<b>Email ID</b>	<a href="mailto:info@ashokametcast.in">info@ashokametcast.in</a>		
<b>Whether Listed or not</b>	Listed		
<b>ACTIVE compliance</b>	ACTIVE compliant		
<b>Suspended at stock exchange</b>	-		
<b>Date of last AGM</b>	12/09/2024		
<b>Date of Balance Sheet</b>	31/03/2024		
<b>Company Status (for e-filing)</b>	Active		
<b>Directors</b>	<b>Name of the Director</b>	<b>DIN</b>	<b>Date of Appointment</b>
	Shalin Ashok Shah	00297447	29/07/2009
	Ashok Chinubhai Shah	02467830	23/10/2017
	HiteshkumarMadhubhai Donga	03393396	06/04/2023
	Rushabh Rajnikantbhai Shah	09474282	06/04/2023
	Deepti Ghanshyam Gavali	10272798	11/08/2023
	Umangkumar Hirabhai Patel	11104737	14/05/2025

#### RHETAN TMT LIMITED

<b>CIN</b>	L27100GJ1984PLC007041
<b>ROC Code</b>	Roc-Ahmedabad
<b>Registration Number</b>	007041
<b>Company Category</b>	Company limited by Shares
<b>Company Sub-Category</b>	Non-govt company
<b>Class of Company</b>	Public
<b>Authorised Capital (Rs)</b>	80,00,00,000
<b>Paid up Capital (Rs)</b>	79,68,75,000
<b>Number of Members (Applicable in case of company without Share Capital)</b>	0
<b>Date of Incorporation</b>	26/06/1984

<b>Registered Address</b>	7th Floor, Ashoka Chambers Opp.HCG Hospital, Mithakhali Six Roads, Ahmedabad, Gujarat, India, 380006		
<b>Email ID</b>	<a href="mailto:rhetantmt@gmail.com">rhetantmt@gmail.com</a>		
<b>Whether Listed or not</b>	Listed		
<b>ACTIVE compliance</b>	ACTIVE compliant		
<b>Suspended at stock exchange</b>	-		
<b>Date of last AGM</b>	11/09/2024		
<b>Date of Balance Sheet</b>	31/03/2024		
<b>Company Status (for e-filing)</b>	Active		
<b>Directors</b>	<b>Name of the Director</b>	<b>DIN</b>	<b>Date of Appointment</b>
	Shalin Ashok Shah	00297447	08/01/2022
	Ashok Chinubhai Shah	02467830	08/01/2022
	Rushabh Rajnikant bhai Shah	09474282	22/01/2022
	Deepti Ghanshyam Gavali	10272798	01/09/2023
	Yash Vishwanath Bodade	10669649	12/08/2024

#### DETAILED RATIONALE FOR THE ISSUE PRICE

This information shall be provided in the Draft Letter of Offer to be circulated by the Company to the Eligible Equity Shareholders prior to the opening of the issue.

#### DIVIDEND POLICY

Under the Companies Act, 2013, a company pays dividends upon a recommendation by its Board of Directors and approval by majority of the Shareholders at the general meeting. Under the Companies Act, 2013, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial year except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

However, as on date of this Draft Letter of Offer, neither our Company has a formal dividend policy for declaration of dividend in respect of Equity Shares, nor has declared any dividend on the Equity Shares since incorporation.

*(This page in intentionally left blank)*



## SECTION – VII – FINANCIAL INFORMATION

The Standalone and Consolidated Audited Financial Statements of our Company for the year ended March 31, 2025, and March 31, 2024, and Unaudited Financial Results for Quarter ended on June 30, 2025 along with Comparative prior year period i.e. June 30, 2024 with Limited Review Report can be accessed on the website of our Company, web link of the same is as follows:

Particulars	Website link
Limited Review Financial Results for the Quarter ended on June 30, 2025	<a href="https://ashnisha.in/wp-content/uploads/2025/08/Company-Results-30.06.2025.pdf">https://ashnisha.in/wp-content/uploads/2025/08/Company-Results-30.06.2025.pdf</a>
Limited Review Financial Results for the Quarter ended on June 30, 2024	<a href="https://ashnisha.in/wp-content/uploads/2024/11/Quarterly-Results-30-06-2024.pdf">https://ashnisha.in/wp-content/uploads/2024/11/Quarterly-Results-30-06-2024.pdf</a>
Financial Statements for the financial year ended March 31, 2025	<a href="https://ashnisha.in/wp-content/uploads/2025/06/Company-Results-31.03.2025.pdf">https://ashnisha.in/wp-content/uploads/2025/06/Company-Results-31.03.2025.pdf</a>
Financial Statements for the financial year ended March 31, 2024	<a href="https://ashnisha.in/wp-content/uploads/2024/06/Quarterly-Results-31.03.2024.pdf">https://ashnisha.in/wp-content/uploads/2024/06/Quarterly-Results-31.03.2024.pdf</a>

*(This page is intentionally left blank)*

## FINANCIAL INFORMATION

The following table sets forth the summary of Consolidated financials for the year ended March 31, 2025 & March 31, 2024 derived from the Audited Financial Statements and Unaudited Financial Results for Quarter ended June 30, 2025 along with Comparative prior year period i.e. June 30, 2024 are as follows:

Particulars	(₹ in Lakhs)			
	June 30, 2025	June 30, 2024	March 31, 2025	March 31, 2024
Total income from operations	84.78	150.01	1061.80	1487.33
Net profit/loss before tax and extraordinary items	12.20	5.08	126.36	143.36
Net profit/loss after tax and extraordinary items	12.20	5.08	16.91	95.57
Equity share capital	1010.00	1010.00	1010.00	1010.00
Reserves and surplus	5072.70	5050.69	5060.50	5045.61
Net worth	6082.70	6060.69	6070.50	6055.61
Basic Earnings per share	0.012	0.005	0.02	0.09
Diluted Earnings per share	0.012	0.005	0.02	0.09
Return on net worth	0.20	0.08	0.28	1.58
Net Asset Value per Share	6.02	6.00	6.01	5.99

### Notes:

1. Total income includes to Revenue from Operations and Other Income.
2. Net worth includes Equity share capital, general reserves, securities premium and retained earnings and Non-Controlling Interest.
3. Return on Net Worth (RoNW) is calculated by dividing the net profit after tax by the average net worth.
4. Net Asset Value per Share is calculated by dividing the net worth by the number of paid-up shares.
5. Basic EPS: -Net Profit for the year attributable to owners of the Company/ weighted average number of Equity Shares outstanding during the year.
6. Diluted EPS: - Net Profit for the year attributable to owners of the Company/weighted average number of Equity Shares outstanding during the year as adjusted for effective of dilutive equity shares.

### Detailed rationale for the Issue Price

The Issue Price will be determined by the Company on the basis of qualitative and quantitative factors as described below:

Some of the qualitative factors which form the basis for computing the Issue Price are set forth below:

- Wholesale trading in steel, mainly involved in trading TMT Bars, Round Bars, Angles, MS Bars and Channels.
- Promoter shareholding and investments in group companies-
- Basic Qualitative details of subsidiary-

### Quantitative factors

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

Fiscal	Basic EPS (₹)	Diluted EPS (₹)
June 30, 2025	0.012	0.012
June 30, 2024	0.005	0.005
March 31, 2025	0.02	0.02
March 31, 2024	0.09	0.09

Notes: Basic EPS: -Net Profit for the year attributable to owners of the Company/ weighted average number of Equity Shares outstanding during the year.

*Diluted EPS: - Net Profit for the year attributable to owners of the Company/weighted average number of Equity Shares outstanding during the year as adjusted for effective of dilutive equity shares.*

The following table sets forth the summary of Standalone financials for the year ended March 31, 2025 & March 31, 2024 derived from the Audited Financial Statements and Unaudited Financial Results for Quarter ended June 30, 2025 along with Comparative prior year period i.e. June 30, 2024 are as follows:

(in Lakhs)				
Particulars	June 30, 2025	June 30, 2024	March 31, 2025	March 31, 2024
Total income from operations	56.28	48.56	309.27	535.40
Net profit/loss before tax and extraordinary items	5.81	3.89	16.41	84.46
Net profit/loss after tax and extraordinary items	5.81	3.89	12.23	65.12
Equity share capital	1010.00	1010.00	1010.00	1010.00
Reserves and surplus	1755.53	1741.38	1749.72	1737.49
Net worth	2765.53	2751.38	2759.72	2747.49
Basic Earnings per share	0.006	0.004	0.01	0.06
Diluted Earnings per share	0.006	0.004	0.01	0.06
Return on net worth	0.21	0.14	0.44	2.37
Net Asset Value per Share	2.74	2.72	2.73	2.72

*Notes:*

1. Total income includes to Revenue from Operations and Other Income.
2. Net worth includes Equity share capital, general reserves, securities premium and retained earnings and Non-Controlling Interest.
3. Return on Net Worth (RoNW) is calculated by dividing the net profit after tax by the average net worth.
4. Net Asset Value per Share is calculated by dividing the net worth by the number of paid-up shares.
5. Basic EPS: -Net Profit for the year attributable to owners of the Company/ weighted average number of Equity Shares outstanding during the year.
6. Diluted EPS: - Net Profit for the year attributable to owners of the Company/weighted average number of Equity Shares outstanding during the year as adjusted for effective of dilutive equity shares.

### **Detailed rationale for the Issue Price**

The Issue Price will be determined by the Company on the basis of qualitative and quantitative factors as described below:

Some of the qualitative factors which form the basis for computing the Issue Price are set forth below:

- Wholesale trading in steel, mainly involved in trading TMT Bars, Round Bars, Angles, MS Bars and Channels.
- Promoter shareholding and investments in group companies-
- Basic Qualitative details of subsidiary-

Quantitative factors

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

Fiscal	Basic EPS (₹)	Diluted EPS (₹)
June 30, 2025	0.006	0.006
June 30, 2024	0.004	0.004
March 31, 2025	0.01	0.01
March 31, 2024	0.06	0.06

*Notes: Basic EPS: -Net Profit for the year attributable to owners of the Company/ weighted average number of Equity Shares outstanding during the year.*

*Diluted EPS: - Net Profit for the year attributable to owners of the Company/weighted average number of Equity Shares outstanding during the year as adjusted for effective of dilutive equity shares.*

**Return on Net Worth (“RoNW”)**

<b>Fiscal</b>	<b>RoNW (%)</b>
June 30, 2025	0.21
June 30, 2024	0.14
March 31, 2025	0.44
March 31, 2024	2.37

*Note- Return on Net Worth (RoNW) is calculated by dividing the net profit after tax by the average net worth.*

**Net Asset Value (“NAV”) per Equity Shares**

<b>Fiscal</b>	<b>NAV (₹)</b>
June 30, 2025	2.74
June 30, 2024	2.72
March 31, 2025	2.73
March 31, 2024	2.72

*Note: Net Asset Value per Share is calculated by dividing the net worth by the number of paid-up shares.*

*(This page is intentionally left blank)*

## SECTION VIII – GOVERNMENT APPROVALS AND LICENSING ARRANGEMENT

### GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authority's/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

#### APPROVALS FOR THE ISSUE

The following approvals have been obtained or will be obtained in connection with the Issue:

- a. The Board of Directors have, pursuant to Section 62(1)(a) of the Companies Act, 2013, by a resolution passed at its meeting held on Saturday, September 06, 2025, authorized the Issue;
- b. The ISIN of the Company is INE694W01024;

#### APPROVALS PERTAINING TO INCORPORATION OF OUR COMPANY

Sr. No.	Description	Registrar	Date of Certificate	Date of Expiry
1.	Ashnisha Alloys private Limited	Registrar of Companies, Gujarat	July 27, 2009	Valid until Cancelled

#### TAX RELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1.	Permanent Account Number	Income Tax Department	AAJCA1606Q	NA	Valid until Cancelled
2.	GST Registration	Government of India	24AAJCA1606Q1ZK	01/07/2017	Valid until Cancelled

#### BUSINESS RELATED APPROVALS

##### Approvals/registration valid

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1.	MSME Registration Certificate	Ministry of Micro, Small and Medium Enterprise	UDYAM-GJ-01-0424578	07/08/2024	Perpetual
2.	Registration of Renewable Energy Project under Gujarat Renewable Energy Policy-2013	Gujrat Energy Development Agency (GEDA)	GEDA/PR/GMS/24-25/12/4434/3210/1160	22/05/2025	Perpetual
3.	Approval for grid connectivity and evacuation of 1.5 MW (Solar/Wind) at GETCO 66 KV 66KV UN under DREBP	Uttar Gujarat Vij Company Limited	DR24US264.	13/12/2024	Perpetual

Our Company has made an application to Gujrat Energy Development Agency (GEDA) for allotment for solar project in Gujarat stage along with project documents and payment of applicable fees.

We are required to obtain the following approvals for the purpose of setting up the Solar Power Project (Phase-2):

Sr. No.	Particulars of the approvals required	Authority from which approval has to be obtained
1.	Application for load feasibility	Gujrat Energy Development Agency (GEDA) and DISCOM
2.	Receipt of principal approval from DISCOM	DISCOM
3.	Load feasibility approval	GEDA
4.	Forwarding of the file by GEDA to Energy Department along with recommendation for issuance of Government Order (GO)	Energy Department, Government of Gujarat

Except as mentioned above, we are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, please refer to the chapter titled “*Objects of the Issue*” at page 39 of this Draft Letter of Offer.

## INTELLECTUAL PROPERTY RIGHTS

There are no Intellectual Property Rights. Our Company is yet to apply for the trademark registration.

*(This page is intentionally left blank)*

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

This Issue of Equity Shares to the Eligible Shareholders is being made in accordance with the:

1. Resolution passed by our Board of Directors under clause (a) of Sub-Section (1) of Section 62 and other provisions of the Companies Act, at their meeting conducted on **September 06, 2025**.
2. The Board of Directors of our Company in their meeting conducted on [●]. approved this Issue inter-alia on the following terms:

<b>Issue Size</b>	₹ 4923.75 lakhs/- (Rupees Forty Nine Crore Twenty Three lakhs Seventy Five Thousand Only)
<b>Issue Price</b>	₹ [●]/- (Rupees [●] Only) per Right Equity Share, including a premium of ₹ [●]/- (Rupees [●] only) per Rights Equity Share
<b>Rights Issue Entitlement Ratio</b>	[●] Equity Shares for every [●] Equity Shares held by eligible Equity Shareholders of our Company as on Record Date;
<b>Record Date</b>	[●]

The Board of Directors in their meeting held on [●] have determined the Issue Price as ₹ [●] per Equity Share and the Rights Entitlement as [●] Equity Shares for every [●] Equity Shares held by eligible Equity Shareholders of our Company as on Record Date.;

3. This Draft Letter of Offer has been approved at Rights Issue Committee on **September 06, 2025**;
4. Receipt of In-principal approval from BSE Limited in accordance with Regulation 28 (1) of SEBI (LODR) Regulations for listing of the Right Shares proposed to be allotted pursuant Issue vide a letter bearing reference number [●] from BSE Limited dated [●]. Our Company will also make application to BSE to obtain their trading approvals for the Rights Entitlements as required under the ASBA Circular;
5. Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Shareholders of our Company;

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

1. Our Company, the Promoters and members of the Promoter Group, and the Directors of our Company have not been prohibited or debarred from accessing or operating in the capital markets, or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.
2. The companies with which our directors or the persons in control of our Company are or were associated as promoter, directors or persons in control have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.
3. Our Company, the Promoters and members of the Promoter Group, and the Directors of our Company have not been identified as Wilful Defaulters by the RBI;
4. None of our Directors are associated with the securities market in any manner;
5. Our Company, the Promoters and members of the Promoter Group, and the Directors of our Company have not been declared as fugitive economic offenders or wilful defaulters;
6. None of our Directors currently holds nor have held directorship(s) in the last five years in a listed Company whose shares have been or were suspended from trading on any stock exchange or in a listed Company which has been / was delisted from any stock exchange;
7. There are no proceedings initiated by SEBI, Stock Exchange or ROC, etc., against our Company, Directors, Group Companies;
8. The Company, its Promoters, members of Promoter Group, are in compliance with Companies (Significant Beneficial Ownership) Rules, 2018;

### PROHIBITION BY RBI

Neither our Company, nor our Promoter, and Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

#### **ELIGIBILITY FOR THE ISSUE**

1. Our Company is a listed company incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the BSE Limited. Our Company is eligible to offer and issue Right Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI (ICDR) Regulations;
2. Our Company is undertaking this Right Issue in compliance with Part B of Schedule VI of the SEBI (ICDR) Regulations.
3. Our Company undertakes to make an application to BSE Limited for listing of the Right Shares to be issued pursuant to this Issue.

#### **COMPLIANCE WITH SEBI (ICDR) REGULATIONS**

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company has made applications to the BSE and has received them in-principle approvals through their letters dated [●] respectively for listing of the Rights Equity Shares to be Allotted pursuant to this Issue. BSE is the Designated Stock Exchange for the Issue.

#### **COMPLIANCE PART B OF SCHEDULE VI OF SEBI (ICDR) REGULATIONS**

The Company confirms that it is in compliance with the provisions of Part B of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. All material disclosures in this Draft Letter of Offer are true, fair, and adequate to enable investors to make an informed investment decision, and no material information has been suppressed nor any statement made that is misleading. The Company, its Directors, and Promoters have not been debarred from accessing the capital market by SEBI, and there is no outstanding order or ongoing regulatory action that may have a material adverse effect on this offer. A compliance certificate has been obtained from the Company Secretary and Compliance Officer, Ms. Payal Punit Pandya, confirming adherence to applicable laws and regulations in connection with this Rights Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

It is to be distinctly understood that the submission of the letter of offer to SEBI should not, in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the issue is proposed to be made, or for the correctness of the statements made or opinions expressed in the letter of offer. It should also be clearly understood that the issuer is primarily responsible for the correctness, adequacy, and disclosure of all relevant information in the letter of offer.

#### **DISCLAIMER CLAUSES FROM OUR COMPANY**

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

Investors who invest in this Issue will be deemed to have represented by our Company and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and are relying on independent advice / evaluation as to their ability and quantum of investment in this Issue.

#### **CAUTION**

Our Company shall make all the relevant information available to the Eligible Shareholders in accordance with the SEBI (ICDR) Regulations and no selective or additional information would be available for a section of the Eligible Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Right Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date of this Draft Letter of Offer.



## **DISCLAIMER WITH RESPECT TO JURISDICTION**

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

## **DESIGNATED STOCK EXCHANGE**

The Designated Stock Exchange for the purpose of this Rights Issue will be BSE.

## **DISCLAIMER CLAUSE OF BSE**

“BSE Limited (“the Exchange”) has given vide its letter no. [●] dated [●], permission to the Company to use the Exchange’s name in this Draft Letter of Offer as the stock exchange on which this Company’s securities are proposed to be listed. The Exchange has scrutinized this Draft Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company.

Further, BSE Limited does not in any manner:

1. Warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Letter of Offer; or
2. Warrant that our Company’s Equity Shares will be listed or will continue to be listed on BSE Limited; or
3. Take any responsibility for the financial or other soundness of our Company, its management or any scheme or project of our Company;

And it should not for any reason be deemed or construed that Draft Letter of Offer has been cleared or approved by the BSE Limited.

Every Investor who desires to apply for or otherwise acquires any Equity Shares of our Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE Limited whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

## **FILING**

This Draft Letter of Offer is being filed with the Stock Exchanges for their approval. Once the in-principal approval from Stock Exchanges are received, the Letter of Offer shall be filed with the Stock Exchanges and with the SEBI for information and dissemination.

## **PREVIOUS PUBLIC OR RIGHTS ISSUES, IF ANY, DURING THE LAST FIVE YEARS**

The Company had initially filed an application for in-principle approval for a proposed rights issue with the BSE Limited on May 6, 2025, i.e., post the closure of the financial year ended March 31, 2025. However, the said application was returned by the stock exchange. The Company is now in the process of re-filing the application for raising funds through a rights issue, for the same object/purpose as previously proposed.

However, the Company has not made any public issue or rights issue of any kind or class of securities since incorporation, and hence disclosures with respect to Performance vis-à-vis objects–Public/ rights issue by our Company, is not applicable.

## **CONSENTS**

Consents in writing of all our Directors, Legal Counsel to the Issue, the Registrar to the Issue, in their respective capacities, have been obtained and such consents have not been withdrawn up to the time of delivery of this Draft Letter of Offer.

## **EXPERT**

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

Our Company has received a written consent from our Statutory Auditors, M/s. GMCA & Co., Chartered Accountants, to include their name in this Draft Letter of Offer and as an ‘expert’, as defined under Section 2 (38) of the Companies Act, 2013, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of the Audited Financial

Statements and the statement of special tax benefits dated September 06, 2025, included in this Draft Letter of Offer, and such consent has not been withdrawn as of the date of this Letter of Offer.

## **NO OFFER IN THE UNITED STATES**

**THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT, OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE U.S. STATE SECURITIES LAWS. ACCORDINGLY, THE EQUITY SHARES AND THE RIGHTS ENTITLEMENTS REFERRED TO IN THIS DRAFT LETTER OF OFFER ARE BEING OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES IN “OFFSHORE TRANSACTIONS” IN RELIANCE ON REGULATIONS TO EXISTING SHAREHOLDERS LOCATED IN JURISDICTIONS WHERE SUCH OFFER AND SALE OF THE EQUITY SHARES AND/ OR RIGHTS ENTITLEMENTS IS PERMITTED UNDER LAWS OF SUCH JURISDICTIONS AND IN COMPLIANCE WITH THE APPLICABLE LAWS OF SUCH JURISDICTIONS. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY OR TRANSFER ANY OF THE SAID SECURITIES.**

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation or purchase of the Equity Shares and/ or Rights Entitlements from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. No Application Form should be postmarked in the United States, electronically transmitted from the United States or otherwise dispatched from the United States or from any other jurisdiction where it would be illegal to make an offer of securities under the Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch, only through email, the Letter of Offer, the Application Form and other applicable Issue materials only to Eligible Equity Shareholders who have provided an Indian address to our Company.

Any person who acquires Rights Entitlements or Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of this Draft Letter of Offer, that it is not and that at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States, and is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations. Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Equity Shares and/ or the Rights Entitlements is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is not in the United States and is eligible to subscribe for the Equity Shares and/ or the Rights Entitlements under applicable securities laws, and such person is complying with laws of jurisdictions applicable to such person in connection with this Issue and have obtained requisite approvals before applying in this Issue; or (iii) where either a registered Indian address is not provided or our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements. Our Company shall not be bound to issue or allot any Equity Shares and/ or the Rights Entitlements in respect of any such Application Form.

## **INVESTOR GRIEVANCES AND REDRESSAL SYSTEM**

### **1. Mechanism for Redressal of Investor Grievances**

Our Company has made adequate arrangements for Redressal of investor complaints in compliance with the corporate governance requirements under the SEBI (LODR) Regulations as well as a well-arranged correspondence system developed for letters of routine nature. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular bearing reference number ‘CIR/OIAE/2/2011 dated June 3, 2011’. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Our Company has a Stakeholders Relationship Committee comprising of Deepti Ghanshyam Gavali, the Chairperson, Swapnil Sharad Shimpi and Ashok Chinubhai Shah, members of the said committee, which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of shareholders in relation to transfer of shares and effective exercise of voting rights. All investor grievances received by us have been handled by the Company Secretary and Compliance Officer and in case of absence of Company Secretary and Compliance Officer by Managing Director.

The Investor complaints received by our Company are generally disposed of within 15 (Fifteen) days from the date of receipt of the complaint.

The average time taken by the Registrar to the Issue, **Purva Shareregistry (India) Pvt. Ltd.** for attending to routine grievances will be within 30 (thirty) days from the date of receipt. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavour of the Registrar to the Issue to attend to them as expeditiously as possible. We undertake to resolve the investor grievances in a time bound manner.

## 2. Investor Grievances arising out of this Issue

Our Company's investor grievances arising out of the Issue will be handled by **Purva Shareregistry (India) Pvt. Ltd.**, who is the Registrar to the Issue. The Registrar to the Issue will have a separate team of personnel handling only post- Issue correspondence.

The agreement between our Company and the Registrar to the Issue will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of Allotment Advice to enable the Registrar to redress grievances of Investors.


All grievances relating to this Issue may be addressed to the Registrar to the Issue giving full details such as folio no., name and address, contact details, Email-ID of the first applicant, number and type of Equity Shares applied for, Application Form serial number, amount paid on application and the name of the bank and the branch where the application was deposited, along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

The average time taken by the Registrar to the Issue for attending to routine grievances will be seven to ten days from the date of receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavour of the Registrar to the Issue to attend to them as expeditiously as possible. Our Company undertakes to resolve the Investor grievances in a time bound manner.

Investors may contact the Company Secretary and Compliance Officer of our Company and/ or Registrar to the Issue at the below mentioned address in case of any pre-Issue/ post-Issue related problems such as non-receipt of allotment advice/ demat credit etc.

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer of our Company of our Company for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Right Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please refer to the section titled '*Terms of the Issue*' on page 96 of this Draft Letter of Offer.

The contact details of the Registrar to the Issue and the Authorised Representative of our Company are as follows:

Company Secretary and Compliance Officer	Registrar to the Company:
<p><b>Contact Person:</b> Payal Punit Pandya  <b>Company Secretary and Compliance Office</b>  <b>Registered Office:</b> 7<sup>th</sup>Floor, Ashoka Chambers, Opp. HCG Hospital Mithkhali SixRoads, Ahmedabad, Gujarat, India,380006  <b>Tel:</b>079- 26463227  <b>Email-ID:</b><a href="mailto:ashnishalimited@gmail.com">ashnishalimited@gmail.com</a>  <b>Website:</b><a href="http://www.ashnishalimited.com">www.ashnishalimited.com</a></p>	 <p><b>Name:</b> Purva Shareregistry (India) Pvt. Ltd  <b>Address:</b> 9, Shiv Shakti Industrial Estate, J.R. BorichaMarg Lower Parel (East), Mumbai-400011  <b>Telephone:</b> +91 022-3199 8810 / 4961 4132 / 4970 0138  <b>Email:</b><a href="mailto:support@purvashare.com">support@purvashare.com</a>/<a href="mailto:newissue@purvashare.com">newissue@purvashare.com</a>  <b>Website:</b> <a href="http://www.purvashare.com">www.purvashare.com</a>  <b>Contact Person:</b> Deepali Dhuri  <b>SEBI Registration No.:</b> INR000001112</p>

## SECTION IX – ISSUE INFORMATION

### TERMS OF THE ISSUE

*This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained the Issue Materials, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and this Draft Letter of Offer. Unless otherwise permitted under the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circulars, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this Draft Letter of Offer.*

*Further, SEBI has pursuant to the SEBI Rights Issue Circular stated that in the event there are physical shareholders who have not been able to open a demat account pursuant to the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 or are unable to communicate their demat account details to our Company or the Registrar for credit of Rights Entitlements, such physical shareholders may be allowed to submit their application. For more details, please see 'Application by Eligible Equity Shareholders Holding Equity Shares in Physical Form' on page 84 of this Draft Letter of Offer.*

This Issue is proposed to be undertaken on a rights basis and is subject to the terms and conditions contained in this Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, the FEMA, the FEMA Rules, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations and the guidelines, notifications, circulars and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with Stock Exchanges and the terms and conditions as stipulated in the Allotment Advice.

#### IMPORTANT

#### 1. Dispatch and availability of Issue materials

In accordance with the SEBI (ICDR) Regulations, ASBA Circular, our Company will send/dispatch at least 3 (Three) days before the Issue Opening Date, the Letter of Offer, the Entitlement Letter, Application Form and other applicable Issue Materials only to the Eligible Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Right Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them. Further, the Letter of Offer will be sent/dispatched, by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses and have made a request in this regard. In case such Eligible Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Investors can access the Draft Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) on the websites of:

Access of Documents on the website of	URL of websites
Company	<a href="http://www.ashnisha.in">www.ashnisha.in</a>
Registrar to the Issue	<a href="http://www.purvashare.com">www.purvashare.com</a>
BSE Limited	<a href="http://www.bseindia.com">www.bseindia.com</a>

Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue's website at [www.purvashare.com](http://www.purvashare.com) entering their DP-ID, Client-ID, or Folio Number (for Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date) and PAN. The link for the same shall also be available on the website of our Company at [www.ashnisha.in](http://www.ashnisha.in).

Further, our Company will undertake all adequate steps to reach out the Eligible Shareholders who have provided their Indian address through other means, as may be feasible. Please note that, our Company and the Registrar to the Issue will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Rights Entitlement Letter, and the Application Form or delay in the receipt of the Letter of Offer, the Rights Entitlement Letter, and the Application Form

attributable to the non-availability of the e-mail addresses of Eligible Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in transit.

The distribution of this Letter of Offer, the Rights Entitlement Letter, and the issue of Rights Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that this Letter of Offer is being filed with SEBI and the Stock Exchanges. Accordingly, the Rights Entitlements and Rights Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer, the Rights Entitlement Letter, or the Application Form (including by way of electronic means) will not constitute an offer, invitation to, or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of this Letter of Offer, the Rights Entitlement Letter, or the Application Form should not, in connection with the issue of the Rights Shares or the Rights Entitlements, distribute or send this Letter of Offer, the Rights Entitlement Letter, or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If this Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an application or acquire the Rights Entitlements referred to in this Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Rights Shares offered in the Issue will be deemed to have declared, represented, and warranted that such person is authorized to acquire the Rights Entitlements and the Rights Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India).

## **2. Process of making an Application in this Issue**

**In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI - Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, please refer to the Paragraph titled 'Procedure for Application through the ASBA Process' on page 84 of this Draft Letter of Offer.**

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, please see the section entitled 'Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders' on page 84 of this Draft Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI (ICDR) Regulations, such Investors will have to apply for the Rights Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Entitlements by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

**Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application**

**Forms without depository account details shall be treated as incomplete and shall be rejected. For details, please see the paragraph titled ‘Grounds for Technical Rejection’ on page 116 of this Draft Letter of Offer. Our Company, the Registrar to the Issue, and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.**

Additionally, in terms of Regulation 78 of the SEBI (ICDR) Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI (ICDR) Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, please see the section entitled ‘Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process’ on page 112 of Draft Letter of Offer.

### **3. Credit of Rights Entitlements in demat accounts of Eligible Shareholders**

In accordance with Regulation 77A of the SEBI (ICDR) Regulations, read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

- (i) The demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and
- (ii) A demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to:
  - (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
  - (b) Equity Shares held in the account to IEPF authority; or
  - (c) The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
  - (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or
  - (e) Credit of the Rights Entitlements returned/reversed/failed; or
  - (f) The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable
  - (g) Eligible Equity Shareholders who have not provided their Indian addresses.

Eligible Equity Shareholders, whose Rights Entitlements are credited in demat suspense escrow account opened by our Company, are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., [●], to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account is active, details of which have been provided to the Company or the Registrar, to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e., [www.purvashare.com](http://www.purvashare.com)). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.e. [www.purvashare.com](http://www.purvashare.com)) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e. [www.ashnisha.in](http://www.ashnisha.in))

### **OTHER IMPORTANT LINKS AND HELPLINE**

The Investors can visit following links for the below-mentioned purposes:

Purpose	Link / Email- ID
---------	------------------



Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors	<a href="http://www.purvashare.com">www.purvashare.com</a>
Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Shareholders	
Updating of Indian address/ e-mail address/ mobile number in the records maintained by the Registrar to the Issue or our Company	<a href="http://www.purvashare.com">www.purvashare.com</a>
Updating of demat account details by Eligible Shareholders holding shares in physical form	

## RENOUNCEES

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

## BASIS FOR THIS ISSUE

The Rights Shares are being offered for subscription for cash to the Eligible Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of the Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date [●].

## RIGHTS ENTITLEMENTS

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date [●], you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

The Registrar will send/dispatch a Rights Entitlement Letter along with the Common Application Form to all Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlements or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions, which will contain details of their Rights Entitlements based on their shareholding as on the Record Date.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e. [www.purvashare.com](http://www.purvashare.com)) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e. [www.ashnisha.in](http://www.ashnisha.in)).

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e. [www.purvashare.com](http://www.purvashare.com)). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send/ dispatch the Letter of Offer, the Rights Entitlement Letter and the Common Application Form only to Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

## PRINCIPAL TERMS OF THIS ISSUE

<b>Face Value</b>	Each Rights Equity Share will have the face value of ₹1.00/- (Rupee One Only).
<b>Issue Price</b>	₹[●] (Rupees [●] Only) per Rights Equity Share including a premium of ₹[●] Rupees [●]) per Rights Share).
	On Application, Investors will have to pay full amount i.e. ₹[●] (Rupees [●] Only) per Rights Share.

Rights Entitlements Ratio	<p>The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the Ratio of [●] Rights Equity Shares for every [●] Equity Shares held by the Eligible Equity Shareholders as on the Record Date i.e. [●].</p>
Renunciation of Rights Entitlements	<p>This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.</p> <p>The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and <i>vice versa</i> shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.</p> <p>The renunciation of Rights Entitlements credited in your demat account can be made either by way of On Market or through off-market transfer. For details, see 'Procedure for Renunciation of Rights Entitlements' on page 109 of this Draft Letter of Offer.</p> <p>In accordance with SEBI Rights Issue Circulars, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account of the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.</p>
Credit of Rights Entitlements in dematerialised account	<p>In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date, i.e. [●]; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; or (f) the ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable.</p> <p>In this regard, our Company has made necessary arrangements with NSDL and CDSL for the credit of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date and shall be active for renouncement or transfer only during the Renunciation Period, i.e., from [●] to [●] (both days inclusive). It is clarified that the Rights Entitlements shall not be available for transfer or trading post the Renunciation Period. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.</p> <p>Eligible Equity Shareholders, whose Rights Entitlement are credited in demat suspense escrow account opened by our Company are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than two (2) Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e. <a href="http://www.purvashare.com">www.purvashare.com</a>). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.</p> <p>Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with</p>



Trading of the Rights Entitlements	<p>respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.</p> <p><b>PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS EQUITY SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS EQUITY SHARES ON OR BEFORE THE ISSUE CLOSING DATE I.E., [●]AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, SEE ‘PROCEDURE FOR APPLICATION’ ON PAGE 84 OF THISDRAFT LETTER OF OFFER.</b></p> <p>In accordance with the SEBI Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on the Stock Exchanges under Rights Entitlement ISIN [●]. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. Investors shall be able to trade/ transfer their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.</p> <p>The On Market Renunciation shall take place electronically on the secondary market platform of the Stock Exchanges on T+2 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is One Rights Entitlement.</p> <p>The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounces on or prior to the Issue Closing Date. For details, see ‘Procedure for Renunciation of Rights Entitlements –On Market Renunciation’ and ‘Procedure for Renunciation of Rights Entitlements – Off Market Renunciation’ on page 109 and page no 110 respectively of this Draft Letter of Offer. Once the Rights Entitlements are credited to the demat account of the Renounces, application in the Issue could be made until the Issue Closing Date. For details, see ‘Procedure for Application’ on page 106 of this Draft Letter of Offer.</p> <p><b>Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.</b></p>																
	Terms of Payment	<p>On Application, Investors will have to pay full amount ₹[●](Rupees [●]Only) per Rights Share, as Rights Issue Application money and the balance on one or more subsequent call(s) as determined by our Board/Committee of the Board from time to time. Where an Applicant has applied for additional Rights Equity Shares and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The un-blocking of ASBA funds/refund of monies shall be completed within such period as prescribed under the SEBI(ICDR) Regulations. If there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.</p>															
		<table><tr><th>AMOUNT PAYABLE PER RIGHTS EQUITY SHARE</th><th>Face Value</th><th>Premium</th><th>Total</th></tr><tr><td>On the Rights Issue Application</td><td>₹ 1.00</td><td>₹[●]</td><td>₹[●]</td></tr><tr><td>Total (₹)</td><td>₹ 1.00</td><td>₹ [●]</td><td>₹ [●]</td></tr></table>				AMOUNT PAYABLE PER RIGHTS EQUITY SHARE	Face Value	Premium	Total	On the Rights Issue Application	₹ 1.00	₹[●]	₹[●]	Total (₹)	₹ 1.00	₹ [●]	₹ [●]
		AMOUNT PAYABLE PER RIGHTS EQUITY SHARE	Face Value	Premium	Total												
On the Rights Issue Application	₹ 1.00	₹[●]	₹[●]														
Total (₹)	₹ 1.00	₹ [●]	₹ [●]														
Fractional Entitlements																	
	<p>The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of [●] ([●]) Rights Equity Shares for every[●]Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than [●] ([●]) Equity Shares or is not in the multiple of [●] ([●]) Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored will be given preferential consideration for the Allotment of one (1) additional Rights Equity Share if they apply for additional</p>																

	<p>Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.</p> <p>For example, if an Eligible Equity Shareholder holds [●] ([●]) Equity Shares, such Equity Shareholder will be entitled to [●] ([●]) Rights Equity Share and will also be given a preferential consideration for the Allotment of one (1) additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Equity Shares, over and above his/ her Rights Entitlements, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.</p> <p>Further, the Eligible Equity Shareholders holding less than [●] ([●]) Equity Shares shall have ‘zero’ entitlement for the Rights Equity Shares. Such Eligible Equity Shareholders are entitled to apply for additional Rights Equity Shares and will be given preference in the Allotment of one Rights Equity Share, if such Eligible Equity Shareholders apply for additional Rights Equity Shares, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.</p>
<b>Credit Rating</b>	<p>As this Issue is a rights issue of Rights Equity Shares, there is no requirement of credit rating for this Issue.</p>
<b>Ranking</b>	<p>The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Letter of Offer, the Rights Entitlement Letter, the Common Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and allotted under this Issue shall, upon being fully paid up, rank pari-passu with the existing Equity Shares, in all respects including dividends. In respect of the Rights Equity Shares, Investors are entitled to dividend in proportion to the amount paid up and their voting rights exercisable on a poll shall also be proportional to their respective share of the paid-up equity capital of our Company.</p>
<b>Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue</b>	<p>Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI (ICDR) Regulations. Our Company has received in-principal approval from the BSE Limited vide its letter bearing reference number [●] dated [●]. Our Company Will apply to the Stock Exchanges for final approvals for the listing and trading of the Rights Equity Shares subsequent to their allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this issue will trade after the listing thereof For an applicable period, the trading of the Rights Equity Shares would be suspended under the applicable law. The process of corporate action for crediting the fully paid-up Rights Equity Shares to the Investors’ demat accounts may take such time as is customary or as prescribed under applicable law from the last date of payment of the amount.</p> <p>The existing Equity Shares are listed and traded on BSE (Scrip Code: 541702) and Stock Exchanges (Symbol: ASHNI) under the ISIN: INE694W01024. The Rights Equity Shares shall be credited to a temporary RE ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary RE ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary RE ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.</p> <p>The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.</p> <p>In case our Company fails to obtain listing or trading permission from the Stock Exchanges, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/ blocked within four (4) days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within four (4) days after our Company becomes liable to repay it, our Company and every director</p>

<b>Subscription to this Issue by our Promoters and our Promoter Group</b>	<p>of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.</p> <p>For details of trading and listing of fully paid-up Rights Equity Shares, please refer to the heading '<i>Terms of Payment</i>' at page 84 of this Draft Letter of Offer.</p>
	<p>For details of the intent and extent of subscription by our Promoter and the Promoter Group, please refer to the chapter titled 'Capital Structure – Intention and extent of participation by our Promoters/Principal Shareholders' on page 36 of this Draft Letter of Offer.</p>
	<p>Subject to applicable laws, Rights Equity Shareholders shall have the following rights:</p> <ol style="list-style-type: none"> <li>The right to receive dividend, if declared;</li> <li>The right to vote in person, or by proxy;</li> <li>The right to receive surplus on liquidation;</li> <li>The right to free transferability of Rights Equity Shares;</li> <li>The right to attend general meeting so four Company and exercise voting powers in accordance with law, unless prohibited/restricted by law; and</li> <li>Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association, and the Articles of Association.</li> </ol> <p>Subject to applicable law and Articles of Association, holders of Rights Equity Shares shall be entitled to the above rights in proportion to amount paid-up on such Rights Equity Shares in this Issue</p>

## GENERAL TERMS OF THE ISSUE

<b>Market Lot</b>	<p>The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Rights Equity Shares in dematerialised mode is one (1) Equity Share.</p>
<b>Joint Holders</b>	<p>Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship, subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Rights Equity Shares offered in this Issue.</p>
<b>Nomination</b>	<p>Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of Section 72 of the Companies Act, 2013, read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.</p> <p>Since the allotment is in dematerialised form, there is no need to make a separate nomination for the Rights Equity Shares to be allotted in this Issue. Nominations registered with the respective Depository Participants of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.</p>
<b>Arrangements for Disposal of Odd Lots</b>	<p>The Rights Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be 1 (one) Rights Equity Share, and hence, no arrangements for disposal of odd lots are required.</p>
<b>Restrictions on transfer and transmission of shares and on their consolidation/splitting</b>	<p>There are no restrictions on transfer and transmission and on the consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that, pursuant to the provisions of the SEBI (LODR) Regulations, with effect from April 1, 2019, and as amended vide SEBI Notification bearing No. SEBI/LAD-NRO/GN/2022/66 on January 24, 2022, the request for transfer of securities shall not be effected unless the securities are held in dematerialized form with a depository.</p> <p>Provided further that transmission or transposition of securities held in physical or dematerialized form shall be effected only in dematerialized form.</p>

<p><b>Notices</b></p>	<p>In accordance with the SEBI (ICDR) Regulations and the SEBI Rights Issue Circulars, our Company will send/dispatch the Letter of Offer, the Rights Entitlement Letter, Common Application Form, and other issue materials (“Issue Materials”) only to the Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under the laws of such jurisdiction and does not result in, and may not be construed as, a public offering in such jurisdictions.</p> <p>In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address, and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.</p> <p>Further, the Letter of Offer will be provided by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address, and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.</p> <p>All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in:</p> <ul style="list-style-type: none"> <li>(i) One English language national daily newspaper with wide circulation;</li> <li>(ii) One Hindi language national daily newspaper with wide circulation; and</li> <li>(iii) One Gujarati language daily newspaper with wide circulation (Gujarati being the regional language of Gujarat, where our Registered Office is situated)</li> </ul> <p>and/or will be sent by post or electronic transmission or other permissible mode to the addresses of the Eligible Equity Shareholders provided to our Company.</p> <p>This Draft Letter of Offer, the Letter of Offer, and the Common Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.</p>
<p><b>Offer to Non-Resident Eligible Equity Shareholders/Investors</b></p>	<p>As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue Rights Equity Shares to non-resident shareholders, including additional Rights Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018, issued by the RBI, non-residents may, amongst other things:</p> <ul style="list-style-type: none"> <li>(i) Subscribe for additional shares over and above their Rights Entitlements;</li> <li>(ii) Renounce the shares offered to them either in full or part thereof in favour of a person named by them; or</li> <li>(iii) Apply for the shares renounced in their favour.</li> </ul> <p>Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of application, refund of application money, allotment of Rights Equity Shares, and issue of Rights Entitlement Letters/Letters of Allotment/Allotment Advice.</p> <p>If a non-resident or NRI investor has specific approval from the RBI in connection with his shareholding in our Company, such person should enclose a copy of such approval with the application details and send it to the Registrar by email at [support@purvashare.com] or by physical/postal means at the address of the Registrar mentioned on the cover page of the Letter of Offer.</p> <p>It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue, and our Company will not be responsible for any such allotments made by relying on such approvals.</p> <p>The Rights Entitlement Letter and Common Application Form shall be sent/dispatched to the email addresses and Indian addresses of non-resident Eligible Equity Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company and are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. Investors can access the Letter of Offer, and the Common Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchanges. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to their partition as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.</p> <p>In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.</p>

## PROCEDURE FOR APPLICATION

### How to Apply

**In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.**

For details of procedure for application by the resident Eligible Shareholders holding Equity Shares in physical form as on the Record Date, see '*Procedure for Application by Eligible Shareholders holding Equity Shares in physical form*' on page of this Draft Letter of Offer.

**The Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.**

#### **Common Application Form**

The Common Application Form for the Rights Equity Shares offered as part of this Issue would be sent/ dispatched (i) only to email address of the resident Eligible Equity Shareholders who have provided their email address; (ii) only to the Indian addresses of the resident Eligible Equity Shareholders, on a reasonable effort basis, who have not provided a valid email address to our Company; (iii) only to the Indian addresses of the non-resident Eligible Equity Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company and are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. The Common Application Form along with the Rights Entitlement Letter shall be sent/ dispatched at least three days before the Issue Opening Date. The Renounces and Eligible Equity Shareholders who have not received the Common Application Form can download the same from the website of the Registrar, our Company or Stock Exchanges.

In case of non-resident Eligible Equity Shareholders, the Common Application Form along with the Rights Entitlement Letter shall be sent through email-to-email address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions.

**Please note that neither our Company nor the Registrar shall be responsible for delay in the receipt of the Letter of Offer, the Rights Entitlement Letter or the Common Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Common Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit or there is a delay in physical delivery (where applicable).**

To update the respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit or contact the Registrar. Investors can access this Letter of Offer, and the Common Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of:

Access of Documents on the website of	URL of websites
Company	<a href="http://www.ashnisha.in">www.ashnisha.in</a>
Registrar to the Issue	<a href="http://www.purvashare.com">www.purvashare.com</a>
BSE Limited	<a href="http://www.bseindia.com">www.bseindia.com</a>

The Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at [www.purvashare.com/rights-issue/input-form.php](http://www.purvashare.com/rights-issue/input-form.php) by entering their DP-ID and Client-ID or Folio Number (Physical Shareholders) and PAN. The link for the same shall also be available on the website of our Company at [www.ashnisha.in](http://www.ashnisha.in).

The Common Application Form can be used by the Investors, Eligible Equity Shareholders as well as the Renounces, to make Applications in this Issue, based on the Rights Entitlement credited in their respective demat accounts. Please note that one single Common Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account. In case of Investors who have provided details of demat account in accordance with the SEBI (ICDR) Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Common Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares by submitting the Common Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.



**Please note that Applications made with payment using third party bank accounts are liable to be rejected.**

Investors are also advised to ensure that the Common Application Form is correctly filled up stating therein, the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Common Application Form will be blocked by the SCSB.

**Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see ‘Grounds for Technical Rejection’ on page 116 of this Draft Letter of Offer. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.**

Additionally, in terms of Regulation 78 of the SEBI (ICDR) Regulations, Investors may choose to accept the offer to participate in this Issue by making a plain paper Application. Please note that Eligible Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see ‘Application on Plain Paper under ASBA process’ on page 110 of this Draft Letter of Offer.

#### **OPTIONS AVAILABLE TO THE ELIGIBLE SHAREHOLDERS**

The Rights Entitlement Letter will clearly indicate the number of Rights Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

1. Apply for its Rights Shares to the full extent of its Rights Entitlements; or
2. Apply for its Rights Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
3. Apply for Rights Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
4. Apply for its Rights Shares to the full extent of its Rights Entitlements and apply for additional Rights Shares; or
5. Renounce its Rights Entitlements in full.

#### **PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS**

An investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorization to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

##### **Self-Certified Syndicate Banks**

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

**Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number ‘CIR/CFD/DIL/13/2012’ dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.**

The Company, its directors, employees, affiliates, associates and their respective directors and officers, and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions, and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

#### **ACCEPTANCE OF THIS ISSUE**

Investors may accept this Issue and apply for the Rights Shares:

1. Submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or

Please note that on the Issue Closing Date:

1. Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges, and

**Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.**

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section '*Application on Plain Paper under ASBA processes*' on page 84 of this Draft Letter of Offer.

## **ADDITIONAL RIGHTS SHARES**

Investors are eligible to apply for additional Rights Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Shares under applicable law and they have applied for all the Rights Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Rights Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalized in consultation with the Designated Stock Exchange. Applications for additional Rights Shares shall be considered and Allotment shall be made in accordance with the SEBI (ICDR) Regulations and in the manner prescribed under the section '*Basis of Allotment*' on page 84 of this Draft Letter of Offer.

**Eligible Shareholders who renounce their Rights Entitlements cannot apply for additional Rights Shares.**

Non-resident Renounces who are not Eligible Equity Shareholders cannot apply for additional Rights Shares. Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, Such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Equity Shares while submitting the Application through ASBA process.

## **PROCEDURE FOR RENUNCIATION OF RIGHTS ENTITLEMENTS**

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges; or (b) through an off-market transfer, during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/lying in his/ her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state, or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements. Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

### **On Market Renunciation**

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI (ICDR) Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Shareholders shall be admitted for trading on the Stock Exchanges under the RE ISIN [●] allotted for the Rights Entitlement subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (One) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the RE ISIN [●] and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of the Stock Exchanges under automatic order matching mechanism and on 'T+2 rolling settlement bases', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stockbroker will issue a contract note in accordance with the requirements of the Stock Exchanges and SEBI.

**(i) Off Market Renunciation**

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialized form only.

Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounces on or prior to the Issue Closing Date.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the RE ISIN [●] allotted for the Rights Entitlement subject to requisite approvals, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

**APPLICATION ON PLAIN PAPER UNDER ASBA PROCESS**

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an application to subscribe to this Issue on plain paper. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India. Please note that the Eligible Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

**PLEASE NOTE THAT APPLICATION ON PLAIN PAPER CANNOT BE SUBMITTED**

The application on plain paper, duly signed by the Eligible Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- (i) Name of our Company, being '**ASHNISHA INDUSTRIES LIMITED**';
- (ii) Name and address of the Eligible Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- (iii) Registered Folio Number/DP-ID and Client ID Number;
- (iv) Number of Equity Shares held as on Record Date;
- (v) Allotment option – only dematerialized form;
- (vi) Number of Rights Shares entitled to;
- (vii) Total number of Rights Shares applied for within the Rights Entitlements;
- (viii) Number of additional Rights Shares applied for, if any;
- (ix) Total Application Money at the rate of ₹[●] (Rupees [●] Only) per one Rights Shares;
- (x) Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;



- (xi) In case of non-resident Eligible Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address, branch of the SCSB with which the account is maintained and a copy of the RBI approval obtained pursuant to Rule 7 of the FEMA Rules.
- (xii) Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Shares applied for pursuant to this Issue;
- (xiii) Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- (xiv) Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
- (xv) In addition, all such Eligible Shareholders are deemed to have accepted the following:

*"I/We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, or will be, registered under the US Securities Act of 1933, as amended (the "US Securities Act"), or any United States state securities laws, and may not be offered, sold, resold, or otherwise transferred within the United States or the territories or possessions thereof (the "United States"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.*

*I/We understand the Rights Equity Shares referred to in this application are being offered and sold in offshore transactions outside the United States in compliance with Regulation S under the US Securities Act ("Regulation S") to existing shareholders located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.*

*I/We understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlements in the United States.*

*I/We confirm that I am/we are (a) not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar, or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and United States and ineligible to participate in this Issue under the securities laws of their jurisdiction.*

*I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.*

*I/we hereby make the representations, warranties, acknowledgments and agreements set forth in the section of the Draft Letter of Offer.*

*I/ We understand and agree that the Rights Entitlements and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.*

In cases where multiple Common Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Common Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at [www.purvashare.com](http://www.purvashare.com).

Our Company and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

## **APPLICATION BY ELIGIBLE SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM**

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company. In the event, the relevant details of the demat accounts of such Eligible Equity Shareholders are not received during the Issue Period, then their Rights Entitlements kept in the suspense escrow demat account shall lapse.

To update respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit [www.purvashare.com](http://www.purvashare.com)

## **PROCEDURE FOR APPLICATION BY ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM**

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date, i.e. [●] and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- (a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
- (b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts atleast one day before the Issue Closing Date;
- (c) The Eligible Equity Shareholders can access the Common Application Form from:

<b>Access of Documents on the website of</b>	<b>URL of websites</b>
Company	<a href="http://www.ashnisha.in">www.ashnisha.in</a>
Registrar to the Issue	<a href="http://www.purvashare.com">www.purvashare.com</a>
BSE Limited	<a href="http://www.bseindia.com">www.bseindia.com</a>

- (d) Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (*i.e.* [www.purvashare.com](http://www.purvashare.com)) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (*i.e.* [www.ashnisha.in](http://www.ashnisha.in));
- (e) The Eligible Equity Shareholders shall, on or before the Issue Closing Date, submit the Common Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

**PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE, i.e. [●] AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.**

## **ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM**

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY**

**SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE OR THE ISSUE CLOSING DATE, AS THE CASE MAY BE.**

#### **GENERAL INSTRUCTIONS FOR INVESTORS**

- (a) Please read this Draft Letter of Offer carefully to understand the Application process and applicable settlement process.
- (b) Please read the instructions on the Common Application Form sent to you.
- (c) The Common Application Form can be used by both the Eligible Equity Shareholders and the Renounees.
- (d) Application should be made only through the ASBA facility.
- (e) Application should be complete in all respects. The Common Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, the Rights Entitlement Letter and the Common Application Form are liable to be rejected. The Common Application Form must be filled in English.
- (f) In case of non-receipt of Common Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section 'Application on Plain Paper under ASBA process' on page 84 of this Draft Letter of Offer.
- (g) In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.
- (h) An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
- (i) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date for Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.
- (j) Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar.
- (k) In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Common Application Form.
- (l) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, **Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors. Further, in case of Application in joint names, each of the joint Applicants should sign the Common Application Form.**
- (m) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon.
- (n) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- (o) In case of joint holders and physical Applications through the ASBA process, all joint holders must sign the relevant part of the Common Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.

- (p) All communication in connection with the application for the Rights Equity Shares, including any change in address of the Eligible Equity Shareholders, should be addressed to the Registrar prior to the date of allotment in this Issue, quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID, and Common Application Form number, as applicable.

In case of any change in address of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.

- (q) Please note that, subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, applications made through the ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through the ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.
- (r) In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on their own account using the ASBA facility, SCSBs should have a separate account in their own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making applications in public/rights issues and clear demarcated funds should be available in such account for ASBA applications.
- (s) Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- (t) An Applicant being an OCB is required not to be under the adverse notice of the RBI and must submit approval from RBI for applying in this Issue.

**Do's:**

- (a) Ensure that the Common Application Form and necessary details are filled in.
- (b) Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act.
- (c) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ('Demographic Details') are updated, true and correct, in all respects.
- (d) Investors should provide correct DP ID and client ID/ folio number while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
- (e) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- (f) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- (g) Ensure that there are sufficient funds (equal to { number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Common Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (h) Ensure that you have authorised the SCSB for blocking funds equivalent to the amount payable on application mentioned in the Common Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.
- (i) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- (j) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Common Application Form in physical form or plain paper Application.
- (k) Ensure that the name(s) given in the Common Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Common Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Common Application Form and the Rights Entitlement Letter.

**Don'ts:**

- (a) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- (b) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (c) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (d) Do not pay the Application Money in cash, by money order, pay order or postal order.
- (e) Do not submit multiple Applications.
- (f) Do not submit the Common Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- (g) Do not send your physical Application to the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- (h) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process.

**Grounds for Technical Rejection**

Applications made in this Issue are liable to be rejected on the following grounds:

- (a) DP ID and Client ID mentioned in Application not matching with the DP ID and Client ID records available with the Registrar.
- (b) Sending an Application to the Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company.
- (c) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (d) Funds in the ASBA Account whose details are mentioned in the Common Application Form having been frozen pursuant to regulatory orders.
- (e) Account holder not signing the Application or declaration mentioned therein.
- (f) Submission of more than one Common Application Form for Rights Entitlements available in a particular demat account.
- (g) Multiple Common Application Forms, including cases where an Investor submits Common Application Forms along with a plain paper Application.
- (h) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- (i) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
- (j) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (k) Common Application Forms which are not submitted by the Investors within the time periods prescribed in the Common Application Form and the Letter of Offer.
- (l) Physical Common Application Forms not duly signed by the sole or joint Investors.
- (m) Common Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- (n) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- (o) Applications which: (i) does not include the certifications set out in the Common Application Form; (ii) appears to us or our agents to have been executed in or dispatched from a Restricted Jurisdiction; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Common Application Form is incomplete or acceptance of such Common

Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares in respect of any such Common Application Form.

- (p) Applications which have evidence of being executed or made in contravention of applicable securities laws.

**Depository account and bank details for Investors holding Equity Shares in demat accounts and applying in this Issue**

**IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE COMMON APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE COMMON APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE COMMON APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE COMMON APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.**

**Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Common Application Form or the plain paper**

Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Common Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants.

By signing the Common Application Forms, the Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

**The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.**

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Common Application Forms are liable to be rejected.

## **MODE OF PAYMENT**

All payments against the Common Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Common Application Forms, if such payments are not made through ASBA facility.

In case of Application through ASBA facility, the Investor agrees to block the amount payable on Application with the submission of the Common Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Common Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Common Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their application at the time of the submission of the Common Application Form.

The SCSB may reject the application at the time of acceptance of Common Application Form if the ASBA Account, details of which have been provided by the Investor in the Common Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Common Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

## **1. Mode of payment for Resident Investors**

- a) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be allotted in the dematerialized form only.
- b) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- c) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Common Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- d) Ensure that you have authorised the SCSB for blocking funds equivalent to the amount payable on application mentioned in the Common Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.
- e) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Common Application Form in physical form or plain paper Application.

Ensure that the name(s) given in the Common Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Common Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Common Application Form and the Rights Entitlement Letter. All payments on the Common Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

## **2. Mode of payment for non-resident Investors**

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

- (i) Individual non-resident Indian Applicants who are permitted to subscribe to Rights Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, the BSE Limited, and our Company;

*Note: In case of non-resident Eligible Equity Shareholders, the Rights Entitlement Letter and the Common Application Form shall be sent to their email addresses if they have provided their Indian address to our Company, or if they are located in certain jurisdictions (other than the United States and India) where the offer and sale of the Rights Equity Shares is permitted under the laws of such jurisdictions and does not result in, and may not be construed as, a public offering in such jurisdiction. The Letter of Offer will be provided only through email by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under the laws of such jurisdictions and does not result in, and may not be construed as, a public offering in such jurisdictions, and in each case, who make a request in this regard.*

- (ii) Common Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.
- (iii) Payment by non-residents must be made only through the ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules, and the requirements prescribed by the RBI.

### **Notes**

- (i) In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act;



- (ii) In case Rights Shares Are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Shares cannot be remitted outside India;
- (iii) In case of a Common Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals;
- (iv) Common Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment;
- (v) In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account;
- (vi) Non-resident Renounces, who are not Eligible Shareholders, must submit regulatory approval for applying for additional Rights Shares;

### Multiple Applications

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see ‘**Procedure for Applications by Mutual Funds**’ on page 125 of this Draft Letter of Offer.

In cases where multiple Common Application Forms are submitted, including cases where an Investor submits Common Application Forms along with a plain paper Application or multiple plain paper Applications, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoters or members of Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in ‘**Capital Structure** – Intention and extent of participation by our Promoters / Principal Shareholders’ on page 38 of this Draft Letter of Offer.

### Last date for Application

The last date for submission of the duly filled in the Common Application Form or a plain paper Application is [●], i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Common Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Rights Equity Shares hereby offered, as provided under the paragraph titled ‘Basis of Allotment’ on page 149 of this Draft Letter of Offer.

Please note that on the Issue Closing Date for Applications through ASBA process shall be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Please ensure that the Common Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

### Withdrawal of Application

An Investor who has applied in this Issue may withdraw their application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, applying through ASBA facility, may withdraw their application post the Issue Closing Date.

### Issue Schedule

<b>LASTDATEFORCREDITOFRIGHTSENTITLEMENTS</b>		[●]
<b>ISSUEOPENINGDATE</b>		[●]

<b>LASTDATEFORONMARKETRENUNCIATION*</b>		●
<b>ISSUECLOSINGDATE<sup>#</sup></b>		●
<b>FINALISATIONOFBASISOFFALLOTMENT(ONORABOUT)</b>		●
<b>DATEOFFALLOTMENT(ONORABOUT)</b>		●
<b>DATEOFCREDIT(ONORABOUT)</b>		●
<b>DATEOFLISTING(ONORABOUT)</b>		●

\* Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounces on or prior to the Issue Closing Date.

<sup>#</sup>Our Board or Rights Issue Committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date, i.e. [●]

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, i.e. [●], have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two (2) Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e. [●]

For details, please see the section titled ‘**General Information**’ on page 33 of this Draft Letter of Offer.

## **BASIS OF ALLOTMENT**

Subject to the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Shares in the following order of priority:

1. Full Allotment to those Eligible Shareholders who have applied for their Rights Entitlements of Rights Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Shares renounced in their favour, in full or in part.
2. Eligible Shareholders whose fractional entitlements are being ignored and Eligible Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Rights Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Shares after allotment under (a) above. If number of Rights Shares required for Allotment under this head are more than the number of Rights Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
3. Allotment to the Eligible Shareholders who having applied for all the Rights Shares offered to them as part of this Issue, have also applied for additional Rights Shares. The Allotment of such additional Rights Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Shares after making full Allotment in (1) and (2) above. The Allotment of such Rights Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
4. Allotment to Renounces who having applied for all the Rights Shares renounced in their favour, have applied for additional Rights Shares provided there is surplus available after making full Allotment under (1), (2) and (3) above. The Allotment of such Rights Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
5. Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (1), (2), (3) and (4) above, and the decision of our Board in this regard shall be final and binding. After taking into account Allotment to be made under (1) to (4) above, if there is any unsubscribed portion, the same shall be deemed to be ‘unsubscribed’.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;

2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

For Applications through R-WAP, instruction will be sent to Escrow Collection Bank with list of Allottees and corresponding amount to be transferred to the Allotment Account. Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Escrow Collection Bank to refund such Applicants.

### **ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS**

Our Company will send/ dispatch Allotment advice, refund intimations (or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e- mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them; along with crediting the Allotted Equity Shares to the respective beneficiary accounts (only in dematerialized mode) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company and “our Directors” who are officers in default shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 4 days’ period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through email, to the email address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is Allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

### **PAYMENT OF REFUND**

#### ***Mode of making refunds***

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

1. Unblocking amounts blocked using ASBA facility.
2. National Automated Clearing House (hereinafter referred to as ‘NACH’) – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
3. National Electronic Fund Transfer (hereinafter referred to as ‘NEFT’) – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (hereinafter referred to as ‘IFSC Code’), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine-digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
4. Direct Credit – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
5. RTGS – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode.

Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.

6. For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
7. Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

#### **Refund payment to non-residents**

The Application Money will be unblocked in the FCNR/NRE Account of the non-resident Applicants, details of which were provided in the Common Application Form.

#### **Allotment Advice or Demat Credit of Securities**

The demat credit of securities to the respective beneficiary accounts or the demat suspense account (in case of credit of the Rights Equity Shares returned/ reversed/ failed) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

#### **Receipt of the Rights Equity Shares in Dematerialized Form**

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT**

#### **PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS WHERE THE CREDIT OF THE RIGHTS EQUITY SHARES RETURNED/REVERSED/FAILED.**

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed an agreement dated [•] with NSDL and an agreement dated [•] with CDSL which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

#### **INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.**

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialized form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Common Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Common Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Common Application Form, the Investor will not get any Rights Equity Shares and the Common Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Common Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF

authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.

6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.
7. Renounces will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

### **Procedure for Applications by FPIs**

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates (i.e., 100%).

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which maybe specified by the Government from time to time. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- (b) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
- (c) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI. .

### **Procedure for Applications by AIFs, FVCIs and VCFs**

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

### **Procedure for Applications by NRIs**

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporated in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

### **Procedure for Applications by Mutual Funds**

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

### **Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”)**

In case of an application made by NBFC-SI registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net worth certificates from its statutory auditors or any independent chartered accountant based on the last audited consolidated financial statements is required to be attached to the application.

### **Impersonation**

**As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:**

**“Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”**

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 1 million or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹ 5 million or with both.

### **Payment by stock invest**

In terms of the RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

## **DISPOSAL OF APPLICATION AND APPLICATION MONEY**

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Common Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Common Application Form would generate an electronic acknowledgment to the Eligible Equity Shareholders upon submission of the Application.

Our Board or our Rights Issue Committee reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.



In case an application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Common Application Form carefully.

## **UTILISATION OF ISSUE PROCEEDS**

Our Board declares that:

- All monies received out of this Issue shall be transferred to a separate bank account;
- Details of all monies utilized out of this Issue referred to under (1) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- Details of all unutilized monies out of this Issue referred to under (1) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

## **UNDERTAKINGS BY OUR COMPANY**

Our Company under takes the following:

- 1) The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
- 2) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken within the time limit specified by SEBI.
- 3) The funds required for making refunds to unsuccessful Applicants, as per the mode(s) disclosed, shall be made available to the Registrar by our Company.
- 4) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 (Fifteen) days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- 5) In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- 6) Adequate arrangements shall be made to collect all ASBA Applications.
- 7) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.
- 8) As on date, our Company does not have any convertible debt instruments.

## **MINIMUM SUBSCRIPTION**

Our Promoters and members of the Promoters group have not given their assent/dissent regarding their intention to subscribe in this issue. The extent of renouncement, if any, shall be finalized before the filing of Letter of Offer with Stock Exchange. In the event the Promoters decides to renounce its Right Entitlement in the favour of third party, minimum subscription criteria provided under regulation 86(1) of the SEBI ICDR Regulations shall apply.

Pursuant to Regulation 86 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), it is mandatory for the issuer company to achieve a minimum subscription in a rights issue. Specifically, the company must receive subscription for at least ninety percent (90%) of the total issue size as stated in the offer document.

The minimum subscription threshold includes all valid applications received and accepted from eligible shareholders and other investors in the rights issue. The Company is, therefore, committed to ensuring compliance with this regulatory requirement and will take all necessary steps to achieve the prescribed minimum subscription level.



## IMPORTANT

1. Please read the Issue Materials carefully before taking any action. The instructions contained in the Issue Materials are an integral part of the conditions and must be carefully followed; otherwise, the Application is liable to be rejected.
2. All enquiries in connection with this Draft Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed '**ASHNISHA INDUSTRIES LIMITED– RIGHT ISSUE**' on the envelope and postmarked in India or in the email) to the Registrar at the following address:



**Purva Share Registry (India) Pvt. Ltd.**

**9, Shiv Shakti Industrial Estate, J.R. Boricha Marg Lower Parel (East), Mumbai-400011**

**Telephone: +91 022-3199 8810 / 4961 4132 / 4970 0138**

**Email: [support@purvashare.com](mailto:support@purvashare.com) / [newissue@purvashare.com](mailto:newissue@purvashare.com)**

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

**Contact Person: Deepali Dhuri**

**SEBI Registration No.: INR000001112**

1. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar ([www.purvashare.com](http://www.purvashare.com)). Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties is 022-41343264/49614132
2. This Issue will remain open for a minimum 7 (Seven) days. However, our Board or our Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

There are two routes through which foreign investors may invest in India. One is the 'automatic route', where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the 'government route', where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise way such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment ('FDI') and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) ('DPIIT'), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 ('**FDI Circular 2020**'), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that (i) the activities of the investee company fall under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI (SAST) Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid to make any investment in the Issue.

The Registrar to the Issue and our Company will not be responsible for any allotments made by relying on such approvals. Please also note that pursuant to Circular no. 14 dated September 16, 2003, issued by RBI, Overseas Corporate Bodies ('OCBs') have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

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

## **RESTRICTIONS ON PURCHASES AND RESALES**

### **Eligibility and Restrictions**

#### **General**

No action has been taken or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of this Draft Letter of Offer or any other Issue Material in any jurisdiction where action for such purpose is required, except that this Draft Letter of Offer will be filed with the Stock Exchanges. Pursuant to the requirements of the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/dispatched only to such Eligible Equity Shareholders who have provided an Indian address to our Company and only such Eligible Equity Shareholders are permitted to participate in the Issue. The credit of Rights Entitlement does not constitute an offer, invitation to offer or solicitation for participation in the Issue, whether directly or indirectly, and only dispatch of the Issue Material shall constitute an offer, invitation or solicitation for participation in the Issue in accordance with the terms of the Issue Material. Further, receipt of the Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in (i) the United States or (ii) any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed, in part or full. Accordingly, persons receiving a copy of the Issue Materials should not distribute or send the Issue Materials in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares. The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into in (i) the United States or (ii) or any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction. Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, renunciation, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares. This Letter of Offer and its accompanying documents are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. Each person who exercises the Rights Entitlements and subscribes for the Rights Equity Shares, or who purchases the Rights Entitlements or the Rights Equity Shares shall do so in accordance with the restrictions set out above and below.

#### **No offer in the United States**

The Rights Entitlements and the Rights Equity Shares have not been, and will not be, registered under the U.S Securities Act and 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 Rights Equity Shares are only being offered and sold in “offshore transactions” as defined in, and in reliance on, Regulation S under the U.S. Securities Act to Eligible Equity Shareholders located in jurisdictions where such offer and sale is permitted under the laws of such jurisdictions. The offering to which this Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Entitlements or Rights Equity Shares for sale in the United States or as a solicitation therein of an offer to buy any of the said securities. Accordingly, you should not forward or transmit this Letter of Offer into the United States at any time.

#### **Representations, Warranties and Agreements by Purchasers**

The Rights Entitlements and the Rights Equity Shares offered outside the United States are being offered in “offshore transactions” as defined, and in reliance on, Regulation S under the U.S. Securities Act. In addition to the applicable representations, warranties and agreements set forth above, each purchaser outside the United States by accepting the delivery of this Letter of Offer and its accompanying documents, submitting an Application Form

for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the “purchaser”, which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

1. The purchaser (i) is aware that the Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the U.S. Securities Act and are being distributed and offered outside the United States in reliance on Regulation S, (ii) is, and the persons, if any, for whose account it is acquiring such Rights Entitlements and/or the Rights Equity Shares are, outside the United States and eligible to subscribe for Rights Entitlements and Rights Equity Shares in compliance with applicable securities laws, and (iii) is acquiring the Rights Entitlements and/or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulation S.
2. No offer or sale of the Rights Entitlements or the Rights Equity Shares to the purchaser is the result of any “directed selling efforts” (as defined in Regulation S under the U.S. Securities Act).
3. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares, and the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
4. The purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by the jurisdiction of its residence, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.
5. The purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.
6. If any Rights Entitlements were bought by the purchaser or otherwise transferred to the purchaser by a third party (other than our Company), the purchaser was in India at the time of such purchase or transfer.
7. The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment.
8. The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than the filing of this Letter of Offer with SEBI and the Stock Exchanges); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements except in India or the Rights Equity Shares which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations.
9. The purchaser (or any account for which it is acting) is an Eligible Equity Shareholder and has received an invitation from our Company, addressed to it and inviting it to participate in this Issue.
10. None of the purchaser, any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of our Company to facilitate the sale or resale of the Rights Entitlements or the Rights Equity Shares pursuant to the Issue.
11. Prior to making any investment decision to exercise the Rights Entitlements and renounce and/or subscribe for the Rights Equity Shares, the Investor (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of this Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to our Company and our Group and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the

Exchange Information (as defined below); (iv) will have conducted its own due diligence on our Company and this Issue, and will have made its own investment decisions based upon its own judgement, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of our Company (including any research reports) (other than, with respect to our Company and any information contained in this Letter of Offer); and (v) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.

12. Without limiting the generality of the foregoing, (i) the purchaser acknowledges that the Equity Shares are listed on BSE Limited and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE Limited (which includes, but is not limited to, a description of the nature of our Company's business and our Company's most recent balance sheet and profit and loss account, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes "Exchange Information"), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; and (ii) our Company, any of its affiliates, have not made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements, the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.
13. The purchaser acknowledges that any information that it has received or will receive relating to or in connection with this Issue, and the Rights Entitlements or the Rights Equity Shares, including this Letter of Offer and the Exchange Information (collectively, the "Information"), has been prepared solely by our Company.
14. The purchaser will not hold our Company responsible for any misstatements in or omissions to the Information or in any other written or oral information provided by our Company to it.
15. The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Rights Equity Shares will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained in this Letter of Offer and the Application Form. The purchaser understands that none of our Company, the Registrar, or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who be, the Registrar, or any other person acting on behalf of us have reason to believe is in the United States, or is ineligible to participate in this Issue under applicable securities laws.
16. The purchaser subscribed to the Rights Equity Shares for investment purposes and not with a view to the distribution or resale thereof. If in the future the purchaser decides to offer, sell, pledge or otherwise transfer any of the Rights Equity Shares, the purchaser shall only offer, sell, pledge or otherwise transfer such Rights Equity Shares (i) outside the United States in a transaction complying with Rule 903 or Rule 904 of Regulation S and in accordance with all applicable laws of any other jurisdiction, including India or (ii) in the United States pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws.
17. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares.
18. If the purchaser is outside India, the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
19. If the purchaser is outside India, the purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by all jurisdictions applicable to it, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of all jurisdictions of residence.
20. The purchaser is authorized to consummate the purchase of the Rights Equity Shares sold pursuant to this Issue in compliance with all applicable laws and regulations.
21. Except for the sale of Rights Equity Shares on one or more of the Stock Exchanges, the purchaser agrees, upon a proposed transfer of the Rights Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Equity Shares being sold.
22. The purchaser shall hold our Company harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of its representations, warranties or agreements set forth above and elsewhere in this Letter of Offer. The indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.

23. The purchaser acknowledges that our Company, their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

*(This page is intentionally left blank)*

## SECTION X – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered more than two years prior to the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of these contracts and the documents for inspection referred to hereunder, would be available on the website of the Company at [www.ashnisha.in](http://www.ashnisha.in) from the date of this Draft Letter of Offer until the Rights Issue Closing Date.

#### Material Contracts for the Rights Issue

1. Registrar Agreement dated April 24, 2025, between our Company and the Registrar to the Issue;
2. Bankers to the Issue Agreement dated April 24, 2025 among our Company, the Registrar to the Issue and the Bankers to the Issue;
3. Monitoring Agency Agreement dated September 06, 2025, between our Company and the Monitoring Agency.

#### Material Documents in relation to the Rights Issue

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company;
2. Certificate of incorporation and fresh certificate of incorporation pursuant to change of name of our Company;
3. The annual report of our Company for the Financial Years ending March 31, 2025, March 31, 2024;
4. Resolution of our Board of Directors dated September 06, 2025 approving the Issue;
5. Resolution of our Board of Directors dated [●], finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio;
6. Rights Issue Committee Resolution dated September 06, 2025, approving this Draft Letter of Offer;
7. Resolution of our Board of Directors dated September 06, 2025 approving the Draft Letter of Offer;
8. Consents of our Directors, Company Secretary, Chief Financial Officer, Bankers to our Company, Bankers to the Issue, and the Registrar to the Issue for inclusion of their names in the Letter of Offer to act in their respective capacities;
9. Report on Statement of Special Tax Benefits dated September 06, 2025, for our Company from the Statutory Auditors of our Company;
10. In-principle approval issued by BSE Limited dated [●];
11. Tripartite Agreement between our Company, National Securities Depository Limited (NSDL) and Registrar to the Issue;
12. Tripartite Agreement between our Company, Central Depository Services (India) Limited (CDSL) and Registrar to the Issue;

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without notice to the Eligible Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



## **DECLARATION**

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**Signed by all the Directors of our Company**

**Sd/-  
Ashok Chinubhai Shah  
Managing Director**

**Sd/-  
Shalin Ashok Shah  
Non- Executive Director**

**Sd/-  
Deepti Ghanshyam Gavali  
Independent Director**

**Sd/-  
Yash Vishwanath Bodade  
Independent Director**

**Sd/-  
Swapnil Sharad Shimpi  
Independent Director**

**Sd/-  
Umangkumar Hirabhai Patel  
Independent Director**

**Date: September 06, 2025  
Place: Ahmedabad**