





Draft Letter of Offer  
August 23, 2022  
For Eligible Equity Shareholders Only

**DESTINY LOGISTICS & INFRA LIMITED**  
(Erstwhile known as Destiny Logistic Limited)

Our Company was originally incorporated as “Destiny Logistic Limited” having its registered office at 375, Dakshindari Road, Kolkata – 700 048, West Bengal, India on July, 28, 2011 vide certificate of incorporation bearing CIN. U63090WB2011PLC165520 under the provisions of Companies Act, 1956 issued by the Registrar of Companies, West Bengal. Subsequently, the name of the company changed to “Destiny Logistics & Infra Limited” vide fresh certificate of incorporation dated September 07, 2021. The Company got listed on Emerge Platform of National Stock Exchange of India Limited w.e.f. October 13, 2021 and the CIN of the Company changed to L63090WB2011PLC165520.

**Registered office:** 375, Dakshindari Road, Kolkata – 700 048, West Bengal, India  
**Corporate office:** Unit No. 708, 7th Floor, ECO Centre, Block-EM-4 Sector-V, Salt Lake Kolkata – 700091, West Bengal, India  
**Contact Person:** Mr. Mustafa Rangwala, Company Secretary & Compliance Officer; **Tel No:** 033-40087463  
**E-Mail ID:** [cs@destinyinfra.in](mailto:cs@destinyinfra.in); **Website:** [www.destinyinfra.in](http://www.destinyinfra.in); **CIN:** L63090WB2011PLC165520

OUR PROMOTERS: (I) MR. JUGAL KISHORE BHAGAT AND (II) MRS. REKHA BHAGAT		
FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY		
ISSUE OF UP TO 76,94,000 EQUITY SHARES OF FACE VALUE OF ₹10.00/- (RUPEES TEN ONLY) (“RIGHTS EQUITY SHARES”) EACH AT A PRICE OF ₹10/- PER EQUITY SHARE (“ISSUE PRICE”) FOR AN AMOUNT AGGREGATING UPTO ₹769.40/- LAKHS ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 1 (ONE) RIGHTS EQUITY SHARE FOR EVERY 1 (ONE) FULLY PAID-UP EQUITY SHARE HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS AS ON THE RECORD DATE, [●] (“THE ISSUE”). FOR FURTHER DETAILS, KINDLY REFER TO THE CHAPTER TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE 104 OF THIS DRAFT LETTER OF OFFER.		
WILFUL DEFAULTER OR A FRAUDULENT BORROWER		
Neither our Company nor our Promoters or any of our Directors have been or are identified as Wilful Defaulter and/or Fraudulent Borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on Wilful Defaulter(s) or Fraudulent Borrower(s) issued by the Reserve Bank of India.		
GENERAL RISKS		
Investment in equity and equity related securities involve 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 the Issue including the risks involved. The Rights Equity Shares being offered in this Issue have not been recommended or approved by Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Letter of Offer. Investors are advised to refer to the “Risk Factors” on page 17 of this Draft Letter of Offer before making an investment 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.		
LISTING		
The existing equity shares of our Company are listed on the EMERGE Platform of National Stock Exchange of India Limited (“NSE EMERGE”). Our Company has received “in-principle” approval from National Stock Exchange of India Limited (“NSE”) for listing the Rights Equity Shares through their letter dated [●]. For the purposes of the Issue, the Designated Stock Exchange is NSE.		
LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE	
 <p><b>FINSHORE</b> Creating Enterprise Managing Values</p> <p><b>FINSHORE MANAGEMENT SERVICES LIMITED</b> “Anandlok”, Block-A, 2<sup>nd</sup> Floor, Room No. 207, 227 A.J.C Bose Road, Kolkata-700020, West Bengal <b>Telephone:</b> +91 33 22895101 / +91 33 4603 2561 <b>Email Id:</b> <a href="mailto:ramakrishna@finshoregroup.com">ramakrishna@finshoregroup.com</a> <b>Website:</b> <a href="http://www.finshoregroup.com">www.finshoregroup.com</a> <b>Investor Grievance Email Id:</b> <a href="mailto:info@finshoregroup.com">info@finshoregroup.com</a> <b>Contact Person:</b> Mr. S. Ramakrishna Iyengar <b>SEBI Registration No:</b> INM000012185 <b>CIN No:</b> U74900WB2011PLC169377</p>	 <p><b>CAMEO CORPORATE SERVICES LIMITED</b> “Subramanian Building”, No. 1, Club House Road, Chennai - 600 002, Tamil Nadu, India <b>Telephone:</b> +91 44-40020700 / 0710 / 0706 / 0741 <b>Email:</b> <a href="mailto:priya@cameoindia.com">priya@cameoindia.com</a> <b>Contact Person:</b> Ms. K. Sreepriya, <b>Website:</b> <a href="http://www.cameoindia.com">www.cameoindia.com</a> <b>SEBI Registration Number:</b> INR000003753 <b>CIN No:</b> U67120TN1998PLC041613</p>	
ISSUE PROGRAMME		
ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSES ON <sup>#</sup>
[●]	[●]	[●]

Pursuant to the January 22 – Rights Issue Circular, SEBI has introduced the concept of credit of Rights Entitlements into the demat accounts of the Eligible Equity Shareholders, which can be renounced by them by way of On Market Renunciation or Off Market renunciation. Further, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made only in dematerialised form.

\*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 accounts of the Renouces on or prior to the Issue Closing Date.

<sup>#</sup>Our Board or a duly authorised 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.

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## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the respective meanings given below. References to statutes, regulations, rules, guidelines and policies will be deemed to include all amendments and modifications thereto as amended from time to time.*

*The words and expressions used in this Draft Letter of Offer, but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act, and the rules and regulations made thereunder.*

#### General Terms

TERMS	DESCRIPTIONS
“Destiny Logistics & Infra Limited”, “DLIL”, “DESTINY”, “The Company”, “Our Company”, or “Issuer”	Unless the context otherwise indicates or implies, “ <b>Destiny Logistics &amp; Infra Limited</b> ”, a public limited company incorporated under the provision of Companies Act, 1956 and having its Registered Office at 375, Dakshindari Road, Kolkata – 700048, West Bengal, India.
“We”, “Our”, or “us”	Unless the context otherwise indicates or implies, refers to our Company.
Our Promoters or Promoters of the Company	The promoters of our Company being <b>(I) Mr. Jugal Kishore Bhagat and (II) Mrs. Rekha Bhagat</b> ”.
Promoter Group	Includes such persons and entities constituting the promoter group of our Company in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 and as disclosed by our Company to the Stock Exchange from time to time

#### Conventional Terms

TERMS	DESCRIPTIONS
ACIT	Assistant Commissioner of Income Tax.
AIF(s)	The alternative investment funds, as defined in, and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
Air Act, 1981	Air (Prevention and Control of Pollution) Act, 1981.
CAGR	Compounded annual growth rate
Category I Foreign Portfolio Investor(s)	FPIs who are registered as “Category I foreign portfolio investor” under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	FPIs who are registered as “Category II foreign portfolio investor” under the SEBI FPI Regulations.
Category III Foreign Portfolio Investor(s)	FPIs who are registered as “Category III foreign portfolio investor” under the SEBI FPI Regulations.
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made there under.
Companies Act/Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made there under.
Competition Act	The Competition Act, 2002.
Consolidated FDI Policy	Consolidation FDI Policy dated October 15, 2020, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
CST Act	Central Sales Tax Act, 1956.
COVID/COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020.
Exchange Information	Collectively constitutes and 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 press releases, announcements, investor education presentations and annual reports.
FCNR Account	Foreign currency non-resident account.
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there under.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations 2000.
FII(s)	Foreign Institutional Investors as defined under the SEBI FPI Regulations.
Financial Year/ Fiscal/ Fiscal Year/F.Y.	Period of twelve (12) months ended March 31 of that particular year, unless otherwise stated.

Foreign Portfolio Investor or FPI	Foreign Portfolio Investors, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
Fugitive economic offender	“Fugitive economic offender” shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
FVCI	Foreign Venture Capital Investor, registered under the FVCI Regulations.
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
Hazardous Waste Rules, 2008	Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008.
HUF	Hindu Undivided Family.
IBC	The Insolvency and Bankruptcy Code, 2016
Income Tax Act or the I.T. Act / IT Act	The Income Tax Act, 1961, as amended till date.
Ind AS	New Indian Accounting Standards notified by Ministry of Corporate Affairs on February 16, 2015, applicable from Financial Year commencing April 1, 2016, as amended.
Ind GAAP	Generally Accepted Accounting Principles in India.
IFRS	International Financial Reporting Standards
LLP Act	The Limited Liability Partnership Act, 2008.
Notified Sections	The sections of the Companies Act, 2013, that have been notified by the Government as having come into effect prior to the date of this Draft Letter of Offer.
NRE Account	Non-resident external account.
NRO Account	Non-resident ordinary account.
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934.
SCRA	Securities Contracts (Regulation) Act, 1956.
SCR	Securities Contracts (Regulation) Rules, 1957.
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
SEBI VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996.
Securities Act	U.S. Securities Act of 1933, as amended.
State Government	The government of a state of the Union of India.
STT	Securities Transaction Tax.
Sub-account	Sub-accounts registered with SEBI under the SEBI FII Regulations other than sub-accounts which are foreign corporate or foreign individuals.
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI VCF Regulations.
Water Act, 1974	Water (Prevention and Control of Pollution) Act, 1974.

#### Issue Related Terms

TERMS	DESCRIPTIONS
“Abridged Letter of Offer” or “ALOF”	Abridged letter of offer to be sent to the Eligible Equity Shareholders with respect to this Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act, 2013.
“Allot”, “Allotment” or “Allotted”	Allotment of Rights Equity Shares pursuant to this Issue.
“Allotment Accounts”	The accounts opened with the Bankers to this Issue, into which the Application Money lying credit to the Escrow Account 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, 2013.
“Allotment Date”	Date on which the Allotment shall be made pursuant to this Issue.
“Allottee(s)”	Person(s) who shall be Allotted Rights Equity Shares pursuant to the Allotment.
“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.

TERMS	DESCRIPTIONS
“Application Form” or Composite Application Form / CAF	The form used by an Investor to make an application for the Allotment of Rights Equity Shares in the Issue.
“Applicant(s)” or “Investor(s)”	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to apply or make an application for the Rights Equity Shares pursuant to this Issue in terms of this Draft Letter of Offer.
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form or Composite Application Form / CAF multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
Allot/Allotment/Allotted of Equity Shares	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid authorizing a SCSB to block the Bid Amount/Application money in the ASBA Account.
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by Applicants for blocking the Bid Amount mentioned in the ASBA Form.
ASBA Applicant(s)	Any prospective investors in this Issue who apply for Equity Shares of our Company through the ASBA process in terms of this Draft Letter of Offer.
ASBA Application Location(s)/Specified Cities	Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and 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> or at such other website as may be prescribed by SEBI from time to time.
ASBA Bid	Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI (ICDR) Regulations.
ASBA Circulars	Collectively, the SEBI circulars bearing reference numbers SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, CIR/CFD/DIL/1/2011 dated April 29, 2011, and SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020.
ASBA Forms	An application form, whether physical or electronic, used by ASBA Applicants, which will be considered as the application for Allotment in terms of the Draft Letter of Offer.
Banker to the Issue/Refund Bank	Bank which are clearing members and registered with SEBI as banker to an issue/Refund Bank and with whom the Rights Issue Account will be opened, in this case being “/●/”.
Banker to the Issue Agreement	Agreement dated /●/ entered into by and amongst the Company, Lead Manager, the Registrar and the Banker of the Issue for collection of the Application Money from Investors making an application through the ASBA facility, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable, refunds of the amounts collected from Investors and providing such other facilities and services as specified in the agreement.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange under the Issue, as described in the Section “ <i>Terms of the Issue</i> ” beginning on page 104 of this Draft Letter of Offer.
Business Day	Monday to Saturday (except public holidays).
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collection Centers	Centers at which the Designated Intermediaries shall accept the ASBA Forms.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Controlling Branches of SCSBs	Such branches of the SCSBs which coordinate Applications under this Issue made by the Applicants with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.

TERMS	DESCRIPTIONS
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depository/Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time, being NSDL and CDSL.
Depository Participant/DP	A depository participant as defined under the Depositories Act, 1966.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants.  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e., <a href="http://www.nseindia.com">www.nseindia.com</a> .
Designated Date	The date on which the funds are transferred by the Escrow Collection Bank from the Escrow Account(s) or the instructions are given to the SCSBs to unblock the ASBA Accounts including the accounts linked with UPI ID and transfer the amounts blocked by SCSBs as the case may be, to the Rights Issue Account, as appropriate in terms of the Letter of Offer and the aforesaid transfer and instructions shall be issued only after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange.
Designated Intermediaries/Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a registrar to an issue and share transfer agent (RTA) (whose names are mentioned on website of the stock exchanges as eligible for this activity).
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e., <a href="http://www.nseindia.com">www.nseindia.com</a> .
Designated Stock Exchange	National Stock Exchange of India Limited
DP	Depository Participant.
DP ID	Depository Participant's Identity number.
Eligible NRI(s)	NRI(s) from such jurisdiction outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom this Draft Letter of Offer constitutes an invitation to subscribe for the Equity Shares Issued herein on the basis of the terms thereof.
Eligible QFIs	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Letter of Offer constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Equity Shares	Equity Shares of our Company of face value ₹10/- each.
FII/Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Issue/Rights Issue/Issue Size	Rights Issue of <b>76,94,000</b> Equity Shares of face value of <b>₹10/-</b> each of our Company for cash at a price of <b>₹10/-</b> per Equity Share aggregating upto <b>₹769.40</b> lakhs by our Company, in terms of this Draft Letter of Offer.
Issue Agreement	The Issue Agreement dated <b>June 1, 2022</b> between our Company and Lead Manager.
Issue Closing Date	The date on which Issue Closes for Subscription.
Issue Materials	The Letter of Offer, Abridged Letter of Offer, Rights Entitlement Letter, Application Forms, including any notices, corrigendum thereto.
Issue Opening Date	The date on which Issue Opens for Subscription.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which prospective Investors may submit their application.
Issue Price	The price at which the Equity Shares are being issued by our Company being <b>₹10/-</b> per Equity Share.

TERMS	DESCRIPTIONS
Issue Proceeds	The proceeds of the Issue that are available to our Company.
Lead Manager/LM	Finshore Management Services Limited
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited.
Mutual Fund(s)	Mutual fund (s) registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
NPCI	National Payments Corporation of India (NPCI), a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA)
NSE	National Stock Exchange of India Limited
NSE Emerge	The Emerge platform of NSE for listing of Equity Shares
“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 Exchanges, from time to time, and other applicable laws, on or before [●].
“Off Market Renunciation”	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws.
Overseas Corporate Body/OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB’s) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. <b>OCBs are not allowed to invest in this Issue.</b>
Other Investors	Investors other than Retail Individual Investors. These include individual Applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust, or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
“Record Date”	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, being [●].
“Renouncee(s)”	Any person(s) who, not being the original recipient has/have acquired the Rights Entitlement, in accordance with the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars.
“Renunciation Period”	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. 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.
“Rights Entitlements” / “REs”	The right to apply for the Rights Equity Shares, being offered by way of this Issue, by an Investor, in accordance with the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, in this case being 1 (One) Rights Equity Share for every 1 (One) Equity Shares held by an Eligible Equity Shareholder, on the Record Date.
“Rights Entitlement Letter”	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.
“Rights Equity Shareholders”	A holder of the Rights Equity Shareholders, from time to time.
“Rights Equity Shares”	Equity shares of our Company to be Allotted pursuant to this Issue, on fully paid-up basis on Allotment.
Rights Issue Account	The Bank Account opened with the Banker(s) to this Issue under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Accounts on the Designated Date.
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate.



TERMS	DESCRIPTIONS
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Registrar of Company / Registrar to this Issue	Registrar to the Issue in our case is “ <i>Cameo Corporate Services Limited</i> ”.
Registrar Agreement	The agreement dated July 19, 2022 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar pertaining to the Issue.
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Reserved Category(ies)	Categories of persons eligible for making application under reservation portion.
Retail Individual Investors/ RIIs	Applicants or minors applying through their natural guardians, (including HUFs in the name of Karta and Eligible NRIs) who have applied for an amount less than or equal to ₹ 2 Lakh in this Issue.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s), as applicable.
Self-Certified Syndicate Bank(s) or SCSB(s)	Banks registered with SEBI, Issuing Services in relation to ASBA, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> .
Specified Locations	Collection Centers where the SCSBs shall accept application forms, a list of which is available on the website of the SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time.
SEBI (ICDR) Regulations / ICDR Regulation / Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ SEBI (LODR)	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015/ Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2020 and as amended thereto, including instructions and clarifications issued by SEBI from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
Transaction Registration Slip /TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the applicants, as proof of registration of the Application.
UPI	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons’ bank accounts using a payment address which uniquely identifies a person’s bank a/c.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
Working Days	“Working day” means all days on which commercial banks in the city as specified in the offer document are open for business. However, till issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the offer document are open for business. The time period between the bid/issue closing date and the listing of the specified securities on the stock exchanges, working day shall mean all trading days of the stock exchanges, excluding Sundays and bank holidays, as per circulars issued by the Board, as per the SEBI Circular No. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and in terms of regulation 2(1) (mmm) of SEBI ICDR Regulations 2018.
Willful Defaulter(s) or a Fraudulent Borrower (s)	A person or an issuer who or which is categorized as a willful defaulter or a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters or a fraudulent borrower issued by the Reserve Bank of India, as defined under Regulation 2(1) (III) of SEBI ICDR Regulations 2018.

**Company Related Terms**

TERMS	DESCRIPTIONS
AGM	Annual General Meeting
“Articles” or “Articles of Association” or “AOA”	The Articles of Association of our Company, as amended from time to time.
Auditor / Statutory Auditor	The Statutory Auditors of our Company, being <b>M/s. Bijan Ghosh &amp; Associates</b> , Chartered Accountants, having its office at C-16, Green Park, P - Majumder Road, Kolkata-700078.
Audit Committee	Audit Committee of our Company constituted in accordance with the Companies Act, 2013 as disclosed by our Company to the Stock Exchange from time to time.
“Board of Director(s)” or “the/our Board”	Unless otherwise specified, The Board of Directors of our Company, as duly constituted from time to time, including any committee(s) thereof.
“CFO” or Chief Financial Officer	The Chief Financial Officer of our Company being “ <b>Mr. Prasenjit Biswas</b> ”.
CIN	Corporate Identification Number being <b>L63090WB2011PLC165520</b> .
Company Secretary & Compliance Officer	The Company Secretary & Compliance Officer of our company being “ <b>Mr. Mustafa Rangwala</b> ”.
Corporate Social Responsibility committee	Corporate Social Responsibility committee of our Company constituted in accordance with the Companies Act, 2013 as disclosed by our Company to the Stock Exchange from time to time.
DIN	Directors Identification Number.
Director/Director(s)	The directors of our Company, unless otherwise specified.
Equity Shares	The Equity Shares of our Company of face value of ₹10/- each, fully paid-up, unless otherwise specified in the context thereof.
Equity Shareholders	Persons/Entities holding Equity Shares of our Company.
Export	Export means taking goods out of India to a place outside India.
Group Companies/Entities	Such companies with which there were related party transactions, during the period for which financial information is disclosed in this Draft Letter of Offer, which are covered under the applicable accounting standards and other companies as considered material by our Board.
Import	Import means bringing goods into India from a place outside India.
Independent Director	Non-executive & Independent Director as per the Companies Act, 2013.
JV / Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
ISIN	International Securities Identification Number In this case being “ <b>INE0IGO01011</b> ”
KMP / Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI ICDR Regulations 2018, Section 2(51) of the Companies Act, 2013 and as disclosed in the chapter titled “ <b>Our Management</b> ” beginning on page <b>54</b> of this Draft Letter of Offer.
MD	Managing Director of our company being “ <b>Mrs. Rekha Bhagat</b> ”.
Materiality Policy	A policy adopted by our Company for identification of material litigation(s) for the purpose of disclosure of the same in this Draft Letter of Offer.
Memorandum/Memorandum of Association/MoA	The Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	Nomination and Remuneration committee of our Company constituted in accordance with the Companies Act, 2013 as disclosed by our Company to the Stock Exchange from time to time.
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Promoters	Shall mean promoters of our Company as mentioned in this Draft Letter of Offer.
Registered Office	Registered Office of the Company is presently situated at <b>375, Dakshindari Road, Kolkata – 700 048, West Bengal, India.</b>
Corporate Office	Corporate Office of the Company is presently situated at <b>Unit No. 708, 7th Floor, ECO Centre, Block-EM-4, Sector-V, Salt Lake Kolkata – 700091, West Bengal, India.</b>
RoC/Registrar of Companies	The Registrar of Companies, Kolkata, West Bengal located at Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4, A.J.C.B. Road, Kolkata - 700020
Shareholders	Shareholders of our Company
Subscriber to MOA / Initial Promoters	Initial Subscriber to MOA
WTD	Whole Time Director

**Technical and Industry related terms**

TERMS	DESCRIPTIONS
ASSOCHAM	Associated Chambers of Commerce of India
CAGR	Compounding Annual Growth Rate
CPI	Consumer Price Index
CRC	Cold Rolled Coil
CSO	Central Statistics Office's
DGGI	Director General of Goods & Services Tax Intelligence
DIPP	Department of Industries Policy and Promotion
EPFO	Employees' Provident Fund Organisation
ESI	Employee State Insurance
EU	European Union
FCNR	Foreign Currency Non-Resident
FDI	Foreign Direct Investment
FY	Financial Year
GDP	Gross Domestic Product
GST	Goods and Service Tax
GVA	Gross Value Added
G-sec	Government Securities
IBEF	Indian Brand Equity Foundation
IMF	International Monetary Fund
INR	Indian Rupee Rates
MNC	Multinational Corporation
MOU	Memorandum of Understanding
MSMEs	Micro, Small and Medium Enterprises
NITI Aayog	National Institution for transforming India
NMP	National Manufacturing Policy
PMA	Preferential Market Access
PSUs	Private Sector Units
RBI	Reserve Bank of India
SED	Strategic Engineering Division
SEZ	Special Economic Zone
TFA	Trade Facilitation Agreement
US	United States
WPI	Wholesale Price Index

**Abbreviations**

TERMS	DESCRIPTIONS
₹ or Rupees or INR	Indian Rupees.
AGM	Annual General Meeting.
AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India.
A.Y.	Assessment year.
BC	Before Christ.
BPLR	Bank Prime Lending Rate.
CAPEX	Capital expenditures
CARO	Companies (Auditor's Report) Order, 2020.
CDSL	Central Depository Services (India) Limited.
CIN	Corporate Identity Number.
CSR	Corporate Social Responsibility.
DIN	Director Identification Number.
DP ID	Depository participant's identification.
ECS	Electronic Clearing System.
EBITDA	Earnings before Interest, Tax Depreciation and Amortisation.
EGM	Extraordinary General Meeting of the Shareholders of the Company.
EPS	Earnings Per Share.
ESOS	Employee Stock Option Scheme.
FDI	Foreign direct investment.
FIPB	Foreign Investment Promotion Board.
GIR	General index register.
GoI/Government	Government of India.

TERMS	DESCRIPTIONS
GST	Goods & Service Tax
HNI	High Net Worth Individual.
HUF	Hindu Undivided Family.
ICAI	Institute of Chartered Accountants of India.
IFRS	International Financial Reporting Standards.
Indian GAAP	Generally Accepted Accounting Principles in India.
ISO	International Organization for Standardization.
IT Act	The Income Tax Act, 1961, as amended.
IT Rules	The Income Tax Rules, 1962, as amended.
JV	Joint Venture.
MCA	Ministry of Corporate Affairs, Government of India.
MoU	Memorandum of Understanding.
N.A.	Not Applicable.
NAV/Net Asset Value	Net asset value being paid up equity share capital plus free reserves (excluding reserves created out of revaluation) less deferred expenditure not written off (including miscellaneous expenses not written off) and debit balance of profit and loss account, divided by number of issued Equity Shares.
NECS	National Electronic Clearing Services.
NEFT	National Electronic Fund Transfer.
NoC	No Objection Certificate.
No.	Number.
NR	Non-Resident.
NSDL	National Securities Depository Limited.
NTA	Net Tangible Assets.
p.a.	Per annum.
PAN	Permanent Account Number.
PAT	Profit After Tax.
PBT	Profit Before Tax.
PCB	Pollution Control Board.
P/E Ratio	Price per Earnings Ratio.
Pvt.	Private.
RBI	Reserve Bank of India.
RoC	Registrar of Companies.
RONW	Return on Net Worth.
RTGS	Real Time Gross Settlement.
SCN	Show Cause Notice.
SCSB	Self-Certified Syndicate Bank.
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
UIN	Unique Identification Number.
US	United States.
VAT	Value Added Tax.
w.e.f.	With effect from
YoY	Year on Year.

The words and expressions used but not defined in this Draft Letter of Offer will have the same meaning as assigned to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made there-under.

## NOTICE TO INVESTORS

The distribution of the Issue Material and the Issue of Rights Entitlements or the Rights Shares on a rights basis 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 Equity Shareholders as on Record Date and will dispatch the Issue Materials:

- (i) only to e-mail addresses of the resident Eligible Equity Shareholders who have provided their e-mail addresses;
- (ii) through physical delivery only to the Indian address of resident Eligible Equity Shareholders, on a reasonable effort basis, whose e-mail addresses are not available with our Company or the Eligible Equity Shareholders have not provided the valid email address to our Company;
- (iii) through physical delivery 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 or to their email addresses;
- (iv) to the e-mail addresses of the foreign corporate or institutional shareholders.

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.

The Issue Materials will also be provided by our Company to any existing eligible Shareholder who makes a request in this regard. Investors can also access the Issue Materials from the websites of the Registrar, our Company and on Stock Exchange.

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 NSE for observations. Accordingly, the Rights Entitlements or the Rights 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 (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer, and, under such circumstances, Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Shares and should not be copied or redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. Accordingly, persons receiving a copy of the Issue Materials should not, in connection with the Issue of Rights Entitlements or the Rights Shares, distribute or send the same 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 or the Lead Managers or their respective affiliates to any filing or registration requirement (other than in India). If Issue Materials are received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlements, or the Rights Shares referred to in the Issue Materials. Envelopes containing the CAF should not be dispatched from the jurisdiction where it would be illegal to make an offer and all the person subscribing for the Rights Equity Shares in the Issue must provide an Indian address.

Any person who makes an application to acquire the Rights Entitlement or the Rights Shares offered in this Issue will be deemed to have declared, represented, warranted, and agreed that she/he is authorized to acquire the Rights Entitlement or the Rights 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 the Application Form is incomplete, or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to Allot or issue any Rights Entitlement or Rights Shares 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 or Rights Shares. As a result, each Investor should consult its own counsel, business advisor, and tax advisor as to the legal, business, tax, and related matters concerning the offer of the Rights Entitlement or the Rights Shares. In addition, our Company is not making any representation to any offeree or purchaser of the Rights Entitlement or the Rights Shares regarding the legality of an investment in the Rights Entitlement or the Rights Shares by such offeree or purchaser under any applicable laws or regulations.**

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

The Rights Equity Shares or Rights Entitlements have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of the Issue Materials. Any representation to the contrary is a criminal offence in the United States. The Right Entitlements or the Rights Shares of our Company have not been and will not be registered under United States Securities Act, 1933, as amended (the “**Securities Act**”), or any U.S. state securities laws and may not be offered, sold, resold, or otherwise transferred within the United States 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 Issue Materials are being offered in India, but not in the United States. The offering to which the Issue Materials relate to is not and are under no circumstances to be construed as, an offering of any Right Entitlement or the Rights Shares for sale in the United States or as a solicitation therein of an offer to buy any of the said Right Entitlement or the Rights Shares. 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, either a U.S. person (as defined in Regulation S) or otherwise in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letters 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 Right Entitlements or the Rights Shares and wishing to hold such Rights Shares in registered form must provide an address for registration of the Equity Shares in India.

Any person who acquires Right Entitlements or Rights Shares will be deemed to have declared, represented, warranted, and agreed, that:

1. It is not and that at the time of subscribing for the Right Entitlements or the Rights Shares, it will not be, in the United States when the buy order is made,
2. It is not a U.S. person (as defined in Regulation S) does not have a registered address (and is not otherwise located) in the United States, and
3. It is authorized to acquire the Right Entitlements or the Rights Shares in compliance with all applicable laws and regulations.

Our Company and the Lead Manager are not making, and will not make, and will not participate or otherwise be involved in any offers or sales of the Rights Entitlements, the Rights Equity Shares or any other security with respect to this Issue in the United States.

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 of America;
2. Does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorized to acquire the rights and the Equity Shares in compliance with all applicable laws and regulations;
3. Where a registered Indian address is not provided; or
4. Where our Company believes that the 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 Entitlement or the Right in respect of any such Application Form.

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

## CERTAIN CONVENTIONS, USE OF FINANCIAL INDUSTRY & MARKET DATA, AND CURRENCY PRESENTATION

### Certain Conventions

Unless otherwise specified or the context otherwise requires, all references to “India” in this Draft Letter of Offer are to the Republic of India.

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, the terms “we”, “us”, “our”, “the Company”, “our Company”, “Issuer”, “Issuer Company”, “Destiny” and “DLIL” unless the context otherwise indicates or implies, refers to “Destiny Logistics & Infra Limited”.

In this Draft Letter of Offer, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lacs / Lakhs”, the word “Crore” means “ten millions” and the word “billion (bn)” means “one hundred crores”. In this Draft Letter of Offer, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

### Financial Data

Unless stated otherwise, the financial data in this Draft Letter of Offer is derived from the restated Financial Statements of our Company as of and for the financial Years ended March 31, 2022, 2021 and 2020 which have been prepared in accordance with Indian GAAP and the Companies Act and are included in this Draft Letter of Offer.

Our fiscal year commences on 1<sup>st</sup> April of each year and ends on 31<sup>st</sup> March of the next year. All references to a particular fiscal year are to the 12 months period ended 31<sup>st</sup> March of that year. 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. All decimals have been rounded off to two decimal points.

Unless otherwise indicated, any percentage amounts, as set forth in this Draft Letter of Offer, including in the Sections titled “*Risk Factors*”; “*Our Business*”; “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page no. 17, 49, and 85 respectively, have been calculated on the basis of the Audited Financial Statements of our Company included in this Draft Letter of Offer.

### Currency and Units of Presentation

All references to “Rupees”, “Rs.”, “INR” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “\$”, “US\$”, “USD”, “U.S. \$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America

Our Company has presented certain numerical information in this Draft Letter of Offer in “Lakh” units. One lakh represents 1,00,000. In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off.

### Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Draft Letter of Offer has been derived from India Brand Equity Foundation (IBEF), Ministry of Statistics and Programme Implementation (MOSPI), Ministry of Commerce and Industry, RBI, Press Information Bureau, Department of Industrial Policy & Promotion and other publicly available sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although, we believe that the industry and market data used in this Draft Letter of Offer is reliable, neither we nor the Lead Manager nor any of their respective affiliates or advisors have prepared or verified it independently. The extent to which the market and industry data used in this Draft Letter of Offer is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the Section titled “*Risk Factors*” beginning on page 17 of this Draft Letter of Offer. Accordingly, investment decisions should not be based on such information.

### Exchange Rates

This Draft Letter of Offer may contain 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.

## FORWARD LOOKING STATEMENTS

The Company has included statements in this Draft Letter of Offer which contain words or phrases such as “may”, “will”, “aim”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “potential” and similar expressions or variations of such expressions, that are or may be deemed to be forward looking statements.

All statements regarding the expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements as to the business strategy, the revenue, profitability, planned initiatives. These forward-looking statements and any other projections contained in this Draft Letter of Offer (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the Section titled “*Risk Factors*”; “*Industry Overview*”; “*Our Business*”; and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”; beginning on page no. 17, 41, 49 and 85, respectively, of this Draft Letter of Offer.

The forward-looking statements contained in this Draft Letter of Offer are based on the beliefs of our management, as well as the assumptions made by and information currently available to our management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materializes, or if any of the underlying assumptions prove to be incorrect, the actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

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

- Uncertainty of the continuing impact of Covid-19 on our financial conditions and operations.
- General economic and business conditions in India and other countries;
- Increase in price and material components
- Fluctuation in other operating cost
- Ability to retain the customers is heavily dependent upon various factors including our reputation and our ability to maintain a high level of product/Service quality including our satisfactory performance for the customers;
- We operate in a significantly fragmented and competitive market in each of our business segments;
- A significant portion of our revenue being generated from our limited number of large customers and any inability to maintain our relationship with such customers or reduction in their demand for our products. Further, these large customers exercise substantial negotiating leverage with us;
- Regulatory changes relating to the finance and capital market sectors in India 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 that have an impact on our business activities or investments;
- Contractual agreements not being executed with suppliers of raw materials for our infrastructure business and an increase in the cost of or a shortfall in the availability of raw materials;
- 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 and foreign laws, regulations and taxes and changes in competition in our industry;
- Changes in the value of the Rupee and other currencies;
- The occurrence of natural disasters or calamities; and

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Our Company, the Lead Manager, or their respective affiliates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors are informed of material developments until the time of the grant of final listing and trading permissions with respect to Equity Shares being issued in this Issue, by the Stock Exchange. Our Company will ensure that investors are informed of material developments in relation to statements about our Company in this Draft Letter of Offer until the Equity Shares are allotted to the investors.



## SECTION II: SUMMARY OF DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is not 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.

**(A) PRIMARY BUSINESS OF OUR COMPANY:**

Since Incorporation our company is in the business of Logistics involving land-based transportation through third-party service provider. Our services are mainly in the domestic market, more specifically in the state of West Bengal. We procure third Party vehicles both contractually and in spot market. We offer our customers transport management expertise and arrange for third party-operator to haul freight. We provide complete services like packaging, loading, transporting, unloading and unpacking of items. This asset light business model allows for scalability of services as well as flexibility to develop and offer customized logistic solution across diverse sectors. We provide end-to-end safe mobility and delivery of items. We are also currently engaged in the infrastructure project- Construction of Storm Water Drainage Scheme for Municipal Town of Tarakeswar, Hooghly, West Bengal under Tarakeswar Development Authority, West Bengal and the work is under progress. Further, we are doing trading activities, mainly into building materials like cement, etc.

For further detailed information, please refer to chapter titled **“Our Business”** beginning from page no. **49** of this Draft Letter of Offer.

**SUMMARY OF THE INDUSTRY IN WHICH OUR COMPANY OPERATES:**

**Indian Logistics Industry**

India has the second-largest road network in the world, spanning a total of 5.89 million kilometres (kms). This road network transports 64.5% of all goods in the country and 90% of India’s total passenger traffic uses road network to commute. Under the Union Budget 2022-23, the Government of India has allocated Rs. 199,107.71 crore (US\$ 26.04 billion) to the Ministry of Road Transport and Highways. The Government of India has allocated Rs. 111 lakh crore (US\$ 1.4 trillion) under the National Infrastructure Pipeline for FY 2019-25. The roads sector is likely to account for 18% capital expenditure over FY 2019-25. Indian logistics market is estimated to touch US\$ 320 billion by 2025.\*

**Indian Infrastructure Sector**

Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India’s overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. India is expected to become the third-largest construction market globally by 2022.#

\*#Source: [www.ibef.org](http://www.ibef.org)

For further detailed information, please refer to chapter titled **“Industry Overview”** beginning from page no. **41** of this Draft Letter of Offer.

**(B) NAME OF THE PROMOTERS OF OUR COMPANY:**

**Mr. Jugal Kishore Bhagat** and **Mrs. Rekha Bhagat** are the promoters of our company.

**(C) OBJECTS OF THE ISSUE:**

Our Company proposes to utilize the funds which are being raised through this Issue towards the below mentioned objects:

Sr. No.	Particulars	Amount (Rs. in Lakhs)
A	To Meet working capital requirements	629.40
B	Issue related expenses	40.00
C	General corporate purposes	100.00
	<b>Total</b>	<b>769.40*</b>

\*Assuming Full Subscription

For further details, please refer chapter **“Objects of the Issue”** beginning from page no. **37** of this Draft Letter of Offer.

**(D) INTENTION AND EXTENT OF PARTICIPATION IN THE ISSUE BY THE PROMOTER AND PROMOTER GROUP:**

Our Promoter(s) and entities forming part of our Promoter Group have vide their letters dated August 22, 2022 (the “Subscription Letters”) undertaken:-

(a) to subscribe, jointly and/ or severally either to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoter or member(s) of the Promoter Group of our Company; and

(b) to subscribe, either individually or jointly and/ or severally with any other Promoter or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue.

Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such participation of additional Rights Equity Shares (including any unsubscribed portion of the Issue) is exempt in terms of Regulation 10(4)(b) of the Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the Takeover Regulations. However, any such participation of additional Rights Equity Shares (including any unsubscribed portion of the Issue) shall not result in a breach of the minimum public shareholding requirement stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.”

**(E) SUMMARY OF RESTATED FINANCIAL STATEMENTS:**

*(Amount in Lakhs)*

Particulars	31.03.2022	31.03.2021	31.03.2020
Share Capital	769.40	50.00	50.00
Net Worth	1668.72	100.15	69.85
Revenue	3475.30	1005.79	674.97
Profit After Tax	129.77	30.30	5.11
Earnings Per Share (Basic & Diluted)	1.69	6.06	1.02
Net Asset Value per equity share	21.69	20.03	13.97
Total Borrowings	199.40	375.00	90.50

**(F) SUMMARY OF OUTSTANDING LITIGATIONS:**

Nature of case	Number of cases	Amount involved (in ₹ in Lakhs)
<b>Filed against Our Company</b>		
Direct Tax	1	5.78
<b>Filed against Our Directors &amp; Promoters</b>		
Criminal Matters	2	35.13
Civil Matters	7	5.08
Others	2	31.95
Direct Tax / Indirect Tax	6	1093.97
<b>TOTAL</b>	<b>18</b>	<b>1,171.91</b>

For further details, please refer chapter “*Outstanding Litigations and Material Developments*” beginning from page 89 of this Draft Letter of Offer.

**(G) RISK FACTORS:**

Kindly refer to the chapter titled “*Risk Factors*” beginning on page 17 of this Draft Letter of Offer.

**(H) CONTINGENT LIABILITIES OF OUR COMPANY AS DISCLOSED IN THE FINANCIAL STATEMENTS:**

For details pertaining to contingent liabilities, kindly refer to the chapter titled, “*Financial Information*” beginning on page 65 of this Draft Letter of Offer.

**(I) RELATED PARTY TRANSACTIONS AS DISCLOSED IN THE FINANCIAL STATEMENTS:**

For details pertaining to Related Party Transactions, kindly refer to the chapter titled “*Financial Information*” beginning on page 82 of this Draft Letter of Offer

**(J) DETAILS OF ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR FROM THE DATE OF THIS DRAFT LETTER OF OFFER:**

Our Company has not issued any Equity Shares for consideration other than cash in the last one (1) year preceding the date of this Draft Letter of Offer except as mentioned below:

<b>Date of Allotment</b>	<b>Number of Equity Share Alloted</b>	<b>Nature of Allotment</b>	<b>Issue Price (in Rs.)</b>	<b>Consideration</b>
30/08/2021	25,00,000	Swap of Shares	20.00	Other Than Cash

**(K) ANY SPLIT/CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR:**

There is no split/consolidation of equity shares in the last one year.

## SECTION III: RISK FACTORS

### RISK FACTORS

Any Investment in equity shares involves a high degree of risk. Investors should carefully consider all the information in this Draft Letter of Offer, including the risks and uncertainties described below, before making an investment in our Rights Equity Shares. The risks described below are not the only risks relevant to our Company's business, operations or our Rights Equity Shares, but also to the industry and segments in which we operate or propose to operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our equity shares could decline, and investors may lose all or part of their investment. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with **"Financial Information"** beginning on page 65 and other information contained in this Draft Letter of Offer. Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below. Further, some events may be material collectively rather than individually.

We have described the risks and uncertainties that our management believes are material but the risks set out in this Draft Letter of Offer may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue, including the merits and the risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences to you of an investment in the Issue.

This Draft Letter of Offer also contains forward-looking statements which refer to future events that may involve known and unknown risks, uncertainties and other factors, many of which may be beyond our control, and which may cause the actual results to be materially different from those expressed or implied by the forward-looking statements. For further details, see **"Forward Looking Statements"** on page 13.

Unless otherwise stated, the financial information used in this section is derived from our Company's audited financial statements as of and for the year ended March 31, 2022, 2021 and 2020.

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

1. Some risks may not be material individually but may be material when considered collectively.
2. Some risks may have material impact qualitatively instead of quantitatively.
3. Some risks may not be material at present but may have a material impact in the future.

#### **INTERNAL RISK FACTORS:**

1. **There are certain outstanding legal proceeding against our company which may adversely affect our business, financial condition and results of operations.**

Our Company, Promoters are party to certain litigation and claims. These legal proceedings are pending at different levels of adjudication before various courts and regulatory authorities. Any adverse decision may make us liable to liabilities/penalties and may adversely affect our reputation, business and financial status. A classification of these legal and other proceedings is given below:

Nature of case	Number of cases	Amount involved (in ₹ in Lakhs)
<b>Filed against Our Company</b>		
Direct Tax	1	5.78
<b>Filed against Our Directors &amp; Promoters</b>		
Criminal Matters	2	35.13
Civil Matters	7	5.08
Others	2	31.95
Direct Tax / Indirect Tax	6	1093.97
<b>TOTAL</b>	<b>18</b>	<b>1,171.91</b>

Note: The amount mentioned above may be subject to additional interest, rates or Penalties being levied by the concerned authorities for delay in making payment or otherwise. For further details, please refer chapter **"Outstanding Litigations and Material Development"** beginning from page no. 89 of this Draft Letter of Offer.

**2. Ongoing enquiry proceedings by Goods and Service Tax department against the proprietary concern of Mr. Jugal Kishore Bhagat namely M/s. Dynamic Services and M/s. Pragati General Order Supplier:**

There was an investigation/enquiry/Audit pertaining to Service Tax dues for the period 1st April 2015 to 1st June 2017 of the above-mentioned firm, which culminated into a demand of Rs.730.21 Lacs, and was settled under the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 by making a payment of Rs.365.11 Lacs to DGGI-North Kolkata.

Further, enquiry/investigation pertaining to GST liability assessment for the FY 2017-18, 2018-19, 2019-20 and 2020-21 are ongoing for the same firm mentioned above, with Bureau of Investigation (South Bengal) and DGGI-East Kolkata Unit. Both the agency as afore-stated collected relevant documents as was available with the firm at the time of the respective Survey. The Firm requested the Bureau of Investigation (South Bengal) to consolidate all the enquiries with one department i.e., DGGI-East Kolkata Unit instead of two separate units for the better compliance purpose. The matter is pending with DGGI-East Kolkata Unit as well of Bureau of Investigation (South Bengal). Total amount of dues is yet to be ascertained as the outcome of the enquiry proceedings is pending. Any adverse outcome of the enquiry proceedings may affect the financial position of the Company/Group.

**3. Pending Income Tax proceedings in the name of the Promoters:**

There are pending Income Tax proceeding in the name of Mr. Jugal Kishore Bhagat under section 143(2) for complete scrutiny of books of accounts for the AY 2020-21. The matter is under proceeding. Any negative outcome involving Income Tax demands, penalties and Interest will have a material impact on the financials of the Promoter and may also in-turn adversely affect the financials of our Company. Any adverse proceedings may impact our Companies financials.

**4. One of our Promoters proprietorship firm, M/s. Dynamic Services has been debarred by West Central Railway**

West Central Railway has terminated a contract worth Rs. 1473.32 lakhs of M/s. Dynamic Services vide their letter dated 15/11/2019 and reconfirmed vide their letter dated 16/03/2020, wherein it has been alleged that Balance Sheet and P/L Account filed by the firm during the tendering process was incorrect and untrue, when compared with the documents provided/filed with the Income Tax Department. West Central Railway also forfeited the performance guarantee amounting to Rs. 147.33 Lakhs and debarred the firm from participating in any bid for executing any work being tendered by West Central Railway for a period as per extant rules and guideline.

**5. Our Company has not entered into any long-term contracts with our customers and we typically operate on the basis of orders received on hand. Inability to maintain regular order flow would adversely impact our revenues and profitability**

We are mainly engaged in the business of Logistics involving land-based transportation services and have not entered into any fixed contracts with our customers and we cater to them on an order-by-order basis. As a result, our customers can terminate their relationships with us without any notice and, without consequence, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our services. Our Company's customers have no obligation to place order with us and may either cancel, reduce or delay orders. The orders placed by our Company's customers are dependent on factors such as the customer satisfaction with the level of service that our Company provides, consistency, fluctuation in demand for our Company's services and customer's inventory management.

Although we place a strong emphasis on quality, pricing and timely delivery of our services, personal interaction by the top management with the customers, etc., in the absence of contracts, any sudden change in the demand pattern of our customers could adversely affect the business and the profitability of our Company.

**6. We do not maintain long-term contracts with our third-party suppliers, and our business may be adversely affected by a shortfall in supply, or increase in price of materials.**

Apart from the logistic business, our company is also engaged into the business of infrastructural and development activities and trading activities (mainly into building materials like cement etc.). Substantially all our materials are purchased from third parties i.e. third-party suppliers locally. For further details, see section "**Our Business**" on page 49 of this Draft Letter of Offer. We do not have any long-term supply contracts with any of our specific suppliers with respect to our material requirements and typically place orders with them in advance of our anticipated requirements. We procure different materials for our aforesaid works and the availability of these products are subject to many risks, including, economic conditions, adverse weather conditions, adverse ground conditions and natural and other disasters. Furthermore, materials are subject to price volatility caused by factors, including market fluctuations, the quality and availability of supply, currency fluctuations, consumer demand and changes in governmental infrastructural programs. Our material's price increases result in corresponding increases in our material supply and infrastructural development costs. We also face a risk that one or more of our existing suppliers may discontinue their supplies to us, and any inability

on our part to procure the materials from alternate suppliers in a timely fashion, or on terms acceptable us, may adversely affect our operations.

We rely on the adequate and timely availability of key materials. Any supply chain disruptions may impact our material sourcing, which in turn may impact our ability to fulfil the demand of the customers. Any significant change in the cost structure or disruption in supply may affect the pricing and supply of products. If we are not able to offset increased material costs, or if unit volume sales are significantly reduced, it could have an adverse impact on our profitability. This may adversely affect our business and financial performance.

**7. Major portion of our revenue is concentrated from limited number of customers. Any failure to retain one or more of our customers or any disruption of sale of our product will have an adverse effect on our financial performance and results of operations.**

During the Financial Year 2021-2022 revenue from top 10 customers of the company stood at approximately 94.40% whereas for the same period the revenue from the top 5 customer stood at approximately 89.08% of our total revenue. We cannot assure you that our reliance on the select group of customers will decrease over time and we may continue to remain dependent upon them for a substantial portion of our revenues. In such an event, our failure to retain them may have an adverse effect on our financial performance and our results of operations.

**8. Dependence on third-party vendors could have an adverse effect on our business financial condition and results of operations.**

Our ability to service our customers depends on the availability and costs of vehicles used for transport, equipment and adequate work force of independent contractors for operations. We use vehicles owned by third parties on per trip basis including vehicles registered in the name of our Promoter. Further, we often engage independent contractors for our skilled and unskilled labour needs and, in the event that such contractors are not available, this may have a material and adverse effect on our operations. We cannot assure you that we will be able to obtain access to preferred third-party vendors for our vehicles or independent contractors, or at attractive rates or that these vendors will have adequate available capacity to meet our needs or be able to meet our requirements in a timely manner. Further, if we are unable to procure the services of third-party vendors capable of sufficiently scaling up operations in response to increased demand from our customers, we may be compelled to make capital expenditures or seek out costlier or lower quality third-party vendors to meet our needs. Any inability to secure vehicles or independent contractors or on attractive terms could have an adverse effect on our business, financial condition and results of operations.

**9. Our business is dependent on the road network in India and our ability to utilise the hired vehicles in an uninterrupted manner. Any disruptions or delays in this regard could adversely affect us and lead to a loss of reputation and/ or profitability.**

The transportation and delivery services we provide are dependent on the road network in India. There are various factors which affect road transport such as political unrest, bad weather conditions, natural calamities, road construction, road quality, regional disturbances, fatigue or exhaustion of drivers, improper conduct of the drivers, accidents or mishaps and third-party negligence. Even though we undertake various measures to avoid or mitigate such factors to the extent possible, some of these could cause extensive damage and affect our operations. Also, any such interruption or disruptions could cause delays in the delivery of goods to their destination and/or also cause damage to transported cargo. We may be held liable to pay compensation for losses incurred by our customers in this regard, and/or losses or injuries sustained by other third parties. Further, such delays and/or damage may cause a loss of reputation, which, over a period of time could lead to a decline in business. In the event that goods to be delivered have a short shelf life, such as perishable goods, any delay in the delivery of such cargo could also expose us to additional losses and claims. Although, some of these risks are beyond our control, we may still be liable for the condition of such cargo and their timely delivery and any disruptions or delays could adversely affect us and lead to a loss of reputation and profitability. Under the terms of certain of our agreements with our customers, we are required to facilitate customers' insurance claims for losses on products in transit and to compensate such customers if we fail to do so. In addition, any prolonged or significant downtime of the transportation vehicles or related equipment caused by unforeseen circumstances may cause major disruptions to our operations. In the event we are affected by such prolonged and significant downtime of the vehicles or equipment, our operations and financial performance may be materially and adversely affected.

**10. We may face competition from a number of international and domestic third-party logistics companies, which may adversely affect our market position and business.**

While the logistics industry in India is generally fragmented, we may face competition from a number of international and domestic third-party logistics service providers, especially as the trend toward larger-scale logistics providers in India continues. Some of our competitors may have significantly greater financial and marketing resources and operate larger networks than we do. In the regions of India in which we may operate, we may face competition from certain regional logistics services providers and the unorganized sector, some of which have market presence in their respective areas of operation. We may also face competition from new entrants into the logistics service industry. If we cannot maintain, or gain, sufficient market presence or are unable to differentiate ourselves from our competitors, we may not

be able to compete effectively. Further, if we cannot maintain cost competitiveness within the third-party logistics industry, including, in the event we choose to expand and incur excessive fixed costs or if we experience a disproportionate increase in costs in comparison to our competitors, our customers could choose to service their third-party logistics needs with our competitors rather than us. Our ability to compete effectively may be constrained by the following factors:

- Lack of own Vehicles and dependence on third party Transport providers
- loss of key members of our management and experienced employees (in particular those from our sales force who have established relationships with our key customers and those who have deep sector expertise that we leverage to provide effective solutions for our customers) to our competitors;
- deployment of more advanced technology platforms by our competitors;
- alliances entered into by our competitors with other logistics services providers, increasing their distribution network or resources and technologies that may not be available to us;
- lower cost base of domestic and regional competitors than ours, increasing their cost competitiveness;
- the deployment by our competitors of a more robust fleet of transportation vehicles;
- difficulties entering new sectors that may be dominated by competitors;
- existing or new competitors pricing their services with significant discounts.

In addition, increased competition may reduce the growth of our customer base and result in higher selling and promotional expenses. If we are unable to compete effectively with our competitors, we may experience a decline in our revenues and profitability and our business, financial condition and results of operations could be materially and adversely affected.

**11. *Delays or defaults in payment by our customers could affect our cash flows and may adversely affect our financial condition and operations.***

We extend credit to certain of our customers for long periods of time and there is no assurance that we will be able to recover outstanding amounts in part, full or at all. We have and may continue to have high levels of outstanding receivables. Our average outstanding receivable days are 3 to 4 months in the past three financial years. Hence, if delays or defaults in client payments continue or increase in proportion to our total revenues, it could negatively affect our cash flows and consequently affect our financial condition and operations. Further, while we may take appropriate action in the event of a non-payment of receivables, there can be no assurance that we will be able to successfully recover outstanding amounts owed to us in part or full, which in turn could affect our cash flows and may adversely affect our financial condition and operations.

**12. *We have incurred substantial indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations. We may also be unable to obtain future financing to fund our operations, expected capital expenditure and working capital requirements on favorable terms, or at all.***

As on the date of the Draft Letter of Offer, we have outstanding outside debt in our books of accounts. Our level of indebtedness has important consequences to us, such as:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- affecting our credit rating;
- limiting our ability to borrow more money both now and in the future; and
- increasing our interest expenditure and adversely affecting our profitability.

If any of these risks were to materialise, our business and results of operations may be adversely affected. Our business requires funding for capital expenditure and working capital requirements. The actual amount and timing of future capital expenditure may depend on several factors, among others, new opportunities, regulatory approvals, regulatory changes, economic conditions, technological changes and market developments in our industry. Our sources of additional funding, if required, to meet our capital expenditure may include the incurrence of debt or the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. In case there is insufficient cash flow to meet our working capital requirement or we are unable to arrange the same from other sources or there is delay in disbursement of arranged funds, or there is any increase in interest rate on our borrowings, it may adversely affect our operations and profitability. These factors may result in an increased amount of short-term borrowings.

**13. *The trend toward outsourcing of supply chain management activities, throughout India or within specific sectors, may change, thereby reducing demand for our services.***


Our growth strategy is based on the assumption that the trend of outsourcing of supply chain management and other logistics services will continue, or rise, in the future to a certain extent. Third-party logistics service providers, such as us, are generally able to conduct supply chain management and other logistics services more efficiently than comparable in-house operations run by customers primarily as a result of expertise, implementation and adoption of technology, efficient management of operations and lower and more flexible employee cost structures. However, many factors could cause a reversal of this trend. For example, our customers may consider the risks in relying on third-party service providers, or they may begin to define these activities as within their own core competencies and decide to perform supply chain and other logistics operations themselves or they may select transport providers who have their own fleet instead of logistic service providers like us who don't own any vehicle but source it through other transport providers, which could have a material and adverse effect on our business.

Furthermore, when a customer ceases to outsource portions of its logistics operations to us, the customer may find it less compelling or unattractive to engage us for remaining logistics services, as a result of which some or all of our business with such customer may be adversely affected.

**14. *Our Registered Office from where we operate are not owned by us.***

Our Registered Office premise is situated at 375, Dakshindari Road, Kolkata – 700 048, West Bengal, India, which is owned by promoters of our company. We have entered into a Rent Agreement with our promoter with effect from 1<sup>st</sup> April, 2021 for a period of 36 months. We cannot assure you that we will be able to continue the above arrangement on commercially acceptable / favorable terms in future. For further details, see section **“Our Business”** on page 49 of this Draft Letter of Offer. If we are required to vacate the current premises, we would be required to make alternative arrangements for new offices and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable/favorable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

**15. *Our Company has not made any application for registration of trademark yet. We are taking steps to apply for the registration of the Trademark in due course. We are unable to assure you that the future viability or value of any of our intellectual property or that the steps taken by us to protect the proprietary rights of our Company will be adequate.***

We have not made any application with ‘The Registrar of Trade Marks, Trade Marks Registry’ for registration of trademark of our logo “”. We are taking steps to apply for the registration of the Trademark in the due course as the registration for the said trademark in our name is important to retain our brand equity. If our application for registration is not accepted or if any oppositions filed against our trademark application are successful, we may lose the statutory protection available to us under the Trade Marks Act, 1999 for such trademark. Further, we cannot assure that our future application would be granted registration or will not be challenged or if granted registration, will not be invalidated or circumvented or will offer us any meaningful protection. We are unable to assure that the future viability or value of any of our intellectual property or that the steps to be taken by us to protect the proprietary rights of our Company will be adequate.

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

Since first being reported in December 2019, the outbreak of COVID-19 has spread globally. The World Health Organization declared the novel coronavirus disease (“COVID-19”) outbreak a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020. The rapid and diffused spread of COVID-19 and global health concerns relating to this pandemic have had a severe negative impact on, among other things, financial markets, liquidity, economic conditions and trade and could continue to do so or could worsen for an unknown period of time, that could in turn have a material adverse impact on our business, cash flows, results of operations and financial condition, including liquidity and growth. The extent to which the COVID-19 outbreak impacts our business, cash flows, results of operations and financial condition will depend on future developments, including on the duration and severity of the pandemic, the nature and scope of government actions to contain it, and the potential impact on global and national economic conditions, including inflation, interest rates, availability of capital markets, consumer spending rates, energy availability and costs (including fuel surcharges), which are highly uncertain and cannot be predicted. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and are likely to be severe.

In addition, while the Government of India in coordination with the state governments have started the bulk immunization process or vaccination drive since January 16, 2021, achieving a complete vaccination scale may take significant amount of time. There is also no assurance that the vaccines that are developed will be fully effective and/ or may not have side effects. On March 14, 2020, India declared COVID-19 as a ‘notified disaster’ and imposed a nationwide lockdown announced on March 24, 2020. Subsequently, progressive relaxations have been granted for movement of goods and people and cautious reopening of businesses and offices. Thus, our business was under lock



down during the nationwide lock down due to the spread of COVID 19 Pandemic from March 25, 2020 to May 02, 2020. It was also shut down during the month of June 2020 due to widespread COVID – 19 pandemic. Subsequently, our business was operating subject to certain social distancing and additional safety measures, such as, regular temperature checks, regular sanitization, and compulsory use of masks and hand sanitization. While we have not been able to determine any material impact on our operations and results on account of COVID-19, in the previous Fiscal, our Company has witnessed a lower quantum of revenue compared to similar periods in previous years. In addition, throughout March and April 2021, due to an increase in the number of daily COVID-19 cases, several state governments in India re-imposed lockdowns, curfews and other restrictions to curb the spread of the virus. As a result of the detection of new strains and subsequent waves of COVID-19 infections in several states in India as well as throughout various parts of the world, we may be subject to further reinstatements of lockdown protocols or other restrictions, which may adversely affect our business operations. We continue to closely monitor the impact that COVID-19 may have on our business and results of operations.

**17. Our revenues are highly dependent on clients located in India. Any decline in the economic health of India could adversely affect our business, financial condition and results of operations.**

We have derived a substantial portion of our revenue from services offered to clients based in India only. If the economic conditions of India become volatile or uncertain or the conditions in the financial market were to deteriorate, especially in recent times due to the COVID-19 pandemic, or if there are any changes in laws applicable to our services and operations or if any restrictive conditions are imposed on us or our business, the pricing of our services may become less favorable for us. Further, our clients located in these geographies may reduce or postpone their spending significantly which would adversely affect our operations and financial conditions. Any reduction in spending on third party logistic services may lower the demand for our services and negatively affect our revenues and profitability.

**18. Our success depends heavily upon our Promoters and Directors for their continuing services, strategic guidance and financial support.**

Our success depends heavily upon the continuing services of Promoters & Directors who are the natural person in control of our Company. Our Promoters have a vast experience in the field of logistics and infrastructure through their erstwhile Proprietorship firms engaged in similar business. They have established cordial relations with various customers and suppliers over the past several years, which have immensely benefitted our Company's current customer and supplier relations. We believe that our relation with our Promoters, who have rich experience in the industry, managing customers and handling overall businesses, has enabled us to experience growth and profitability. We benefit from our relationship with our Promoters and our success depends upon the continuing services of our Promoters who have been responsible for the growth of our business and are closely involved in the overall strategy, direction and management of our business. Further, our Promoters are also part of certain other firms / ventures and may continue to do so. If they divert their attention to such other concerns, we may not be able to function as efficiently and profitably as before. We may have to incur additional costs to replace the services of our Promoters or we may not be able to do so at all, which could adversely affect our business operations and affect our ability to continue to manage and expand our business.

Further, we also depend significantly on our directors for executing their day-to-day activities. If our Promoters / Directors or any member of the senior management team is unable or unwilling to continue in his present position, we may not be able to replace him easily or at all, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

In addition, we depend on our Directors / Promoters in availing certain bank loans and for the extension of unsecured loans and advances from time to time. We rely on our Directors and Promoters, in relation to our bank loans for which they have granted certain security and personal guarantees. We cannot assure you that any future financing we obtain without guarantees from our Directors / Promoters or from unrelated third-parties will be on terms which are equal to or more favourable than the terms of our past financings.

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

Our Company has entered into related party transactions with our Promoters, Directors, Group Entities and their relatives. While our Company believes that all such transactions have been conducted on the arm's length basis, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that our Company will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details, please refer to "**Related Party Transactions**" under section titled "**Financial Information**" on page no. 82 of this Draft Letter of Offer.

**20. Our Company has availed unsecured loan from our Directors / Promoters and Promoter Group which is repayable on demand. Any demand from the lender for repayment of such unsecured loan may affect our cash flow and financial condition.**

Our Company has availed certain unsecured loan and are repayable on demand. Though our Company intends to repay the loan amount in near future, sudden recall may disrupt our operations and also may force us to opt for funding at

higher interest rates, resulting in higher financial burden. Further, we will not be able to raise funds at short notice and thus result in shortage of working capital fund. For further details, please refer to the section titled “**Financial Information**” beginning on page no. 65 of this Draft Letter of Offer. Any demand for the repayment of such unsecured loan, may adversely affect our cash flow and financial condition.

**21. We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licenses in timely manner or comply with such rules and regulations or at all may adversely affect our operations.**

We require several statutory and regulatory permits, licenses and approvals to operate our business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our Company’s operations, thereby having a material adverse effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. For further details, please see chapter titled and “**Government Approvals**” at page no. 98 this Draft Letter of Offer.

**22. If we are unable to manage our growth effectively or if our estimates or assumptions used in developing our strategic plan are inaccurate or we are unable to execute our strategic plan effectively, our business and prospects may be materially and adversely affected.**

Our revenue and our business operations have grown in recent years. Although we plan to continue to expand our scale of operations, we may not be able to sustain these rates of growth in future periods due to a number of factors, including, among others, our execution capability, our ability to retain, maintain & enter into new supplier MOUs / agreements, our ability to maintain customer satisfaction, our ability to mobilise sufficient working capital, macroeconomic factors beyond our control such as decline in global economic conditions, competition with other players in the organized and unorganized segments, the greater difficulty of growing at sustained rates from a larger revenue base, our inability to control our expenses and the availability of resources for our growth. There can be no assurance that we will not suffer from capital constraints, operational difficulties or difficulties in expanding existing business operations.

Our development and expansion strategies will require substantial managerial efforts and skills and the incurrence of additional expenditures may subject us to new or increased risks. We may not be able to efficiently or effectively implement our growth strategies or manage the growth of our operations, and any failure to do so may limit future growth and have an adverse effect on our business. Further, our strategy to improve our debt – equity ratio may not materialise in the manner we intend to, and we may be required to obtain additional debt to meet immediate capital requirements, resulting in unfavourable ratios.

Also, the fund requirement and deployment for our strategies are based purely on management estimates and assumptions considering the current market scenario and are subject to revision in the light of changes in external circumstances or costs. If we are unsuccessful in executing our strategic plan, or if the underlying estimates or assumptions used to develop our strategic plan are materially inaccurate, our business and financial condition would have an adverse impact.

**23. In addition to normal remuneration, other benefits and reimbursement of expenses our Directors (including our Promoter) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.**

Some of our Directors (including our Promoters) and Key Management Personnel may be interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration, incentives or benefits and reimbursement of expenses. We cannot assure you that our Directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Promoters & our Directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our Promoters and Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Promoters and Directors will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospects. For further details of our transactions or interests of our promoters / promoter group, please refer the chapters titled “**Our Promoters**”, “**Related Party Transactions**” and “**Financial Information**” beginning on page nos. 63, 82 and 65 respectively, of this Draft Letter of Offer.

**24. *Our Company's insurance coverage may not be adequate to protect us against all material hazards which may result in disruptions of operations/monetary loss on account of stoppage of work.***

We maintain insurance which we believe is typical in our industry in India and for amounts which we believe to be commercially appropriate for risks. However, such insurance may not be adequate to cover all our losses or liabilities that may arise from our business. Our insurance policies contain exclusions and or all limitations on coverage, as a result of which, we may not be able to successfully assert our claims for any liability or loss under the said insurance policies. Additionally, there may be various other risks and losses, specially arising out of our business agreements, for which we are not insured because such risks are either uninsurable or not insurable on commercially acceptable terms. Furthermore, there can be no assurance that in the future we will be able to maintain insurance of the types or at levels which we deem necessary or adequate or at premiums which we deem to be commercially acceptable. The occurrence of an event for which we are not insured, where the loss is in excess of insured limits or where we are unable to successfully assert insurance claims for losses, could result in unforeseen liabilities and losses. Further, despite such unforeseen losses we may remain obligated for any future financial indebtedness or other obligations related to our business. Any such unforeseen losses or liabilities could result in an adverse effect on our business operations, financial conditions and results of operations.

**25. *We require high working capital for our smooth day to day operations of business and any discontinuance or our inability to acquire adequate working capital timely and on favourable terms may have an adverse effect on our operations, profitability and growth prospects.***

Our business demands substantial funds towards working capital requirements. In case there are insufficient cash flows to meet our working capital requirement or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure funds on favourable terms, it may result into our inability to finance our working capital needs on a timely basis which may have an adverse effect on our operations, profitability and growth prospects.

**26. *We are dependent on a number of key managerial personnel, including our senior management, and the loss of or our inability to attract or retain such persons with specialized technical know-how could adversely affect our business, results of operations, cash flows and financial condition.***

Our performance depends largely on the efforts and abilities of our senior management and other key managerial personnel, including our present officers who have specialized technical know-how. The inputs and experience of our senior management and key managerial personnel are valuable for the development of our business and operations strategy. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. Our Company does not maintain any director's and officer's insurance policy or any keyman insurance policy. The loss of the services of such persons could have an adverse effect on our business, results of operations, cash flows and financial condition.

**27. *Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.***

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our operational standards and processes, and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which we may result in write-off of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions in which case, our reputation, business prospects, results of operations and financial condition could be adversely affected.

**28. *We may not be successful in implementing our business strategies.***

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted clients. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

**29. *Industry information included in this Draft Letter of Offer has been derived from industry reports. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.***

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Draft Letter of Offer. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of

the information, the information has not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Letter of Offer.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “*Dividend Policy*” on page 64 of this Draft Letter of Offer.

**31. *Any future issuance of Equity Shares may dilute your shareholdings, and sale of the Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.***

Any future equity issuance by our Company may lead to the dilution of investors’ shareholdings in our Company. In addition, any sale of substantial Equity Shares in the public market after the completion of this Issue, including by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could significantly impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of our Company or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

**32. *Managing employee benefit pressures in India may prevent us from sustaining our competitive advantage which could adversely affect our business prospects and future financial performance.***

Employee benefits represent a major expense for us and our ability to maintain or reduce such costs is critical for our business operations. We may be required to increase employee compensation levels to remain competitive and manage attrition, and consequently we may need to increase the prices of our products and services. An increase in wages/salaries paid to our employees may result in a material adverse effect on our profits in the event that we are unable to pass on such increased expenditure to our users or customers without losing their business to our competitors. Likewise, if we are unable to sustain or increase the number of employees as necessary to meet growing demand, our business, financial condition and results of operations could be adversely affected.

## **RISKS RELATING TO RIGHTS ISSUE**

**1. *SEBI has recently, by way of circulars dated January 22, 2020, May 6, 2020, July 24, 2020, January 19, 2021 and April 22, 2021, streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Draft Letter of Offer.***

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020, May 6, 2020, July 24, 2020, January 19, 2021 and April 22, 2021, and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. *For details, see “Terms of the Issue”* on page 104. In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

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

The Rights Entitlements that are not exercised prior to the end of the Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Rights Issue. Renounees 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 Renounees 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 Renounee will not be able to apply in this Rights Issue with respect to such Rights Entitlements.

**3. *There is no guarantee that the Rights Equity Shares issued pursuant to this Rights Issue will be listed on the Stock Exchange in a timely manner.***

In accordance with Indian law and regulations and the requirements of the Stock Exchange, in principle and final approvals for listing and trading of the Rights Equity Shares issued pursuant to this Rights Issue will not be applied for or granted until after the Rights Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorising the issuing of Rights Equity Shares to be submitted. Accordingly, there could be a failure or delay in listing the Rights Equity Shares on the Stock Exchange. If there is a delay in obtaining such approvals, we may not be able to credit the Rights Equity Shares allotted to the Investors to their depository participant accounts or assure ownership of such Rights Equity Shares by the Investors in any manner promptly after the Closing Date. In any such event, the ownership of the Investors over Rights Equity Shares allotted to them and their ability to dispose of any such Equity Shares may be restricted. For further information on issue procedure, see “*Issue Information*” beginning on page 104 of this Draft Letter of Offer.

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

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Right Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renounees 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 not credited to the demat account of the Renounees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation (the last day for which is [●]), such Renounee will not be able to apply in this Issue with respect to such Rights Entitlements. For details, see “*Terms of the Issue*” on page 104 of this Draft Letter of Offer.

**5. *The Eligible Equity Shareholders holding Equity Shares in physical form will have no voting rights in respect of Equity Shares until they provide details of their demat account and Equity Shares are transferred to such demat account from the demat suspense account thereafter.***

The Equity Shares will be credited to a demat suspense account to be opened by our Company, in case of Allotment in respect of resident Eligible Equity Shareholders holding Equity Shares in physical form and who have not provided the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date. Such Eligible Equity Shareholders are required to send, amongst others, details of their demat accounts to our Company or the Registrar to enable our Company to transfer, after verification of the details of such demat account by the Registrar, the Equity Shares from the demat suspense account to the demat accounts of such Eligible Equity Shareholders. Unless and until such Eligible Equity Shareholders provide details of their demat account and the Equity Shares are transferred from demat suspense account to such demat accounts thereafter, they will have no voting rights in respect of Equity Shares. For details, see “*Terms of the Issue*” on page 104 of this Draft Letter of Offer.

**6. *The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form (“Physical Shareholder”) may lapse in case they fail to furnish the details of their demat account to the Registrar.***

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020 and May 6, 2020, read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated

January 19, 2021 and SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021, 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 104 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.

**7. *Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.***

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant’s demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the Applicant’s decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price of the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants’ ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

**8. *Holder 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 preemptive 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.

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

Our Articles of Association and Indian law govern our corporate affairs. Legal principles relating to these matters and the validity of corporate procedures, Director’s fiduciary duties and liabilities, and shareholders’ rights may differ from those that would apply to a corporate entity in another jurisdiction. Shareholders’ rights under Indian law may not be as extensive as shareholders’ rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as one of our shareholders than as a shareholder of a bank or corporate entity in another jurisdiction. In accordance with the provisions of the Companies Act, the voting rights of an equity shareholder in a company shall be in proportion to the share of a person in the paid-up equity share capital of that company.

**10. *No market for the Rights Entitlements may develop and the price of the Rights Entitlements may be volatile.***

No assurance can be given that an active trading market for the Rights Entitlements will develop on the Stock Exchange during the Renunciation Period or that there will be sufficient liquidity in Rights Entitlements trading during this period. The trading price of the Rights Entitlements will not only depend on supply and demand for the Rights Entitlements, which may be affected by factors unrelated to the trading in the Equity Shares, but also on the quoted price of the Equity Shares, amongst others. Factors affecting the volatility of the price of the Equity Shares, as described herein, may magnify the volatility of the trading price of the Rights Entitlements, and a decline in the price of the Equity Shares will have an adverse impact on the trading price of the Rights Entitlements. Since the trading of the Equity Shares will be on a separate segment compared to the Equity Shares on the floor of the Stock Exchange, the trading of Equity Shares may not track the trading of Equity Shares. The trading price of the Rights Entitlements may be subject to greater price fluctuations than that of the Equity Shares.

## EXTERNAL RISK FACTORS

**1. *Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry is regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

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

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long-term capital gains and is taxable at 10%, in excess of Rs. 1,00,000. Any long-term gain realized on the sale of equity shares, which are sold other than on a recognized stock exchange and on which no STT has been paid, is also subject to tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

**3. *Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.***

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include:

- custom duties on imports of raw materials and components;
- Goods and Service

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

**4. *Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. 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. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

**5. *Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

**6. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force 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 Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/

tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

**7. *The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.***

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

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

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

**9. *Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.***

The current Covid-19 pandemic had brought the world to a standstill affecting all sectors and the livelihood of many are at stake including the Indian economy. However, our Country is achieving normalcy by various measures taken by the Government. The pandemic is still to be controlled and any major outbreak will seriously impact our business. Further, our Country in the past has experienced natural calamities such as earthquakes, tsunami, floods etc. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

**10. *Terrorist attacks, civil unrest and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks in India, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.



## SECTION IV: INTRODUCTION

### A. ISSUE DETAILS IN BRIEF

The present Issue of Equity Shares aggregating upto ₹7,69,40,000/- in terms of this Draft Letter of Offer has been authorized pursuant to a resolution of our Board of Directors held on May 30, 2022 passed under Section 62(1)(a) and other applicable provisions of the Companies Act, 2013. The number of Rights Equity Shares, terms of the Issue and Rights Entitlement Ratio, have been approved by a resolution passed by our Board at its meeting held on August 23, 2022.

The following is a summary of this Issue, and should be read in conjunction with and is qualified entirely by, the information detailed in “*Terms of the Issue*” beginning on page no. **104** of this Draft Letter of Offer.

<b>Rights Equity Shares being offered by our Company</b>	Up to 76,94,000 Equity Shares.
<b>Rights Entitlement</b>	1 (One) Rights Equity Share for every 1 (One) fully paid-up Equity Share held on the Record Date i.e. [●]
<b>Record Date</b>	[●]
<b>Face value per Rights Equity Share</b>	₹10/- per Equity Share
<b>Issue Price per Rights Equity Share</b>	₹10/- per Equity Share
<b>Issue Size</b>	Issue of up to 76,94,000 Equity Shares of face value of ₹10 each for cash at a price of ₹10/- per Rights Equity Share for an amount aggregating upto ₹769.40 Lakhs. <i>(Assuming Full Subscription)</i>
<b>Equity Shares outstanding prior to the Issue</b>	76,94,000 Equity Shares
<b>Voting Rights and Dividend</b>	The Rights Equity Shares issued pursuant to the issue shall rank pari passu in all respects with the existing Equity Shares of our Company.
<b>Equity Shares outstanding after the Issue</b>	1,53,88,000 Equity Shares
<b>Security Code for the Equity Shares</b>	NSE: DESTINY ISIN: INE0IGO01011
<b>Terms of the Issue</b>	For details, please see the chapter titled “ <i>Terms of the Issue</i> ” on page <b>104</b> of this Draft Letter of Offer.
<b>Use of Issue Proceeds</b>	For details, please see the chapter titled “ <i>Objects of the Issue</i> ” on page <b>37</b> of this Draft Letter of Offer.
<b>Issue Open Date</b>	[●]
<b>Issue Close Date</b>	[●]
<b>ISIN for Rights Entitlements</b>	[●]
<b>Terms of Payment</b>	The full amount is payable on application

**B. GENERAL INFORMATION**

Our Company was originally incorporated as “*Destiny Logistic Limited*” having its registered office at 375, Dakshindari Road, Kolkata – 700048, West Bengal, India on July 28, 2011 vide certificate of incorporation bearing CIN. U63090WB2011PLC165520 under the provisions of Companies Act, 1956 issued by the Registrar of Companies, West Bengal and have received the Certificate of commencement of business on August 17, 2011, issued by the Registrar of Companies, West Bengal. Subsequently, the name of the company changed to “*Destiny Logistics & Infra Limited*” vide fresh certificate of incorporation dated September 07, 2021. The Company got listed on the Emerge Platform of The National Stock Exchange of India Limited w.e.f. October 13, 2021 and the CIN of the Company changed to L63090WB2011PLC165520.

Brief of Company and Issue information	
Name & CIN	<b>DESTINY LOGISTIC LIMITED</b> <b>L63090WB2011PLC165520</b>
Registered Office of Company	<b>Destiny Logistics &amp; Infra Limited</b> <i>(Erstwhile known as Destiny Logistic Limited)</i> 375, Dakshindari Road, Kolkata – 700048 <b>Contact No:</b> 033-40087463 <b>Contact Person:</b> Mr. Mustafa Rangwala <b>Email ID:</b> <a href="mailto:cs@destinyinfra.in">cs@destinyinfra.in</a> <b>Website:</b> <a href="http://www.destinyinfra.in">www.destinyinfra.in</a>
Corporate Office of Company	<b>Destiny Logistics &amp; Infra Limited</b> Unit No. 708, 7th Floor, ECO Centre, Block-EM-4, Sector-V, Salt Lake Kolkata - 700091 West Bengal
Address of Registrar of Companies	<b>Registrar of Companies – West Bengal</b> Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4, A.J.C.B. Road, Kolkata - 700020, West Bengal, India.
Designated Stock Exchange	National Stock Exchange of India Limited (“NSE”)
Company Secretary and Compliance Officer	<b>Mr. Mustafa Rangwala</b> <b>Destiny Logistics &amp; Infra Limited</b> <b>Registered Office:</b> 375, Dakshindari Road, Kolkata – 700048 Contact No: 033-40087463 Email ID: <a href="mailto:cs@destinyinfra.in">cs@destinyinfra.in</a> Website: <a href="http://www.destinyinfra.in">www.destinyinfra.in</a>
Chief Financial Officer	<b>Mr. Prasenjit Biswas</b> <b>Destiny Logistics &amp; Infra Limited</b> <b>Registered Office:</b> 375, Dakshindari Road, Kolkata – 700048 Contact No: 033-40087463 Email ID: <a href="mailto:info@destinyinfra.in">info@destinyinfra.in</a> Website: <a href="http://www.destinyinfra.in">www.destinyinfra.in</a>
Statutory Auditor of the Company	<b>M/s. Bijan Ghosh &amp; Associates, Chartered Accountants,</b> <b>Address:</b> C-16, Green Park, P-Majumder Road, Kolkata-700078 <b>Tel. No.:</b> 9339440467 <b>E-mail ID:</b> <a href="mailto:bijanghosh1967@gmail.com">bijanghosh1967@gmail.com</a> <b>Contact Person:</b> CA Bijan Ghosh <b>Designation:</b> Proprietor <b>Membership Number:</b> 009491 <b>Firm Registration No.:</b> 323214E <b>Peer Review Certificate No.:</b> 11330

**Board of Directors of Our Company:**

Details regarding our Board of Directors as on the date of this Draft Letter of Offer are set forth in the table hereunder:

Sl. No.	Name of Director	Designation	DIN	Age	Residential Address
1	Mrs. Rekha Bhagat	Managing Director	03564763	38 Years	139, Trimurti Apartment, Dakshindari Road, Sreebhumi, Kolkata-700048, West Bengal.
2	Mr. Mithilesh Kumar Jha	Executive Director	02229913	53 Years	305/36A, Roy Bahadur Road, New Alipore, Kolkata-700053, West Bengal.
3	Mr. Jugal Kishore Bhagat	Non- Executive Director	02218545	46 Years	139, Trimurti Apartment, Dakshindari Road, Sreebhumi, Kolkata-700048, West Bengal.
4	Mr. Shir Sagar Pandey	Independent Director	07656863	29 Years	Door No-2, Ground Floor 3/A Mukherjee Lane Ganguly Street, Opposite Belur Gurudwara Belur Math, Howrah-711202, West Bengal.
5	Ms. Sweta Chaurasia	Independent Director	09271786	29 Years	27/11, Netaji Subhas Road, Bally (M), Howrah, Liluah-711204, West Bengal.

For further details of the Board of Directors, please refer to the Section titled **“Our Management”** beginning on page no **54** of this Draft Letter of Offer

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

LEAD MANAGER OF THE ISSUE	REGISTRAR TO THE ISSUE
<b>Finshore Management Services Limited</b> Anandlok”, Block-A, 2 <sup>nd</sup> Floor, Room No. 207, 227 A.J.C Bose Road, Kolkata-700020, West Bengal <b>Telephone:</b> +91 33 22895101 / +91 33 4603 2561 <b>Email:</b> <a href="mailto:ramakrishna@finshoregroup.com">ramakrishna@finshoregroup.com</a> <b>Website:</b> <a href="http://www.finshoregroup.com">www.finshoregroup.com</a> <b>Investor Grievance Email:</b> <a href="mailto:info@finshoregroup.com">info@finshoregroup.com</a> <b>Contact Person:</b> Mr. S. Ramakrishna Iyengar <b>SEBI Registration No:</b> INM000012185 <b>CIN No:</b> U74900WB2011PLC169377	<b>Cameo Corporate Services Limited</b> "Subramanian Building", No.1, Club House Road, Chennai - 600 002, India <b>Telephone:</b> +91-44-40020700 / 0710 / 0706 / 0741 <b>Facsimile:</b> +91-44-28460129 <b>Email:</b> <a href="mailto:investor@cameoindia.com">investor@cameoindia.com</a> <b>Contact Person:</b> Ms. K Sreepriya <b>Website:</b> <a href="http://www.cameoindia.com">www.cameoindia.com</a> <b>SEBI Registration Number:</b> INR000003753 <b>CIN No:</b> U67120TN1998PLC041613
LEGAL ADVISOR TO THE ISSUE	MARKET MAKER TO THE ISSUE
<b>J Mukherjee &amp; Associates</b> D-1, MMS Chambers, 1 <sup>st</sup> Floor, 4A Council House Street, Kolkata-700001, West Bengal, India <b>Telephone:</b> +91 9830640366 <b>Email:</b> <a href="mailto:jmukherjeeandassociates@gmail.com">jmukherjeeandassociates@gmail.com</a> <b>Contact Person:</b> Mr. Jayabrata Mukherjee	<b>Nikunj Stock Brokers Limited</b> A-92, Ground Floor, Left Portion, Kamla Nagar, New Delhi – 110007 <b>Telephone:</b> +91 11 4703 0017 / +91 11 4703 0018 <b>Email:</b> <a href="mailto:complianceofficer@nikunjonline.com">complianceofficer@nikunjonline.com</a> <b>Website:</b> <a href="http://www.nikunjonline.com">www.nikunjonline.com</a> <b>Investor Grievance Email:</b> <a href="mailto:ig.nikunj@nikunjonline.com">ig.nikunj@nikunjonline.com</a> <b>Contact Person:</b> Mr. Anshul Aggarwal <b>SEBI Registration No:</b> INZ0000169335 <b>CIN No:</b> U74899DL1994PLC060413
BANKER TO THE ISSUE	
[•]	

**Self-Certified Syndicate Banks (“SCSBs”)**

The lists of banks that have been notified by SEBI to act as SCSB for the ASBA process are provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details of the Designated Branches which shall collect Application Forms, please refer to the above-mentioned SEBI link

**Collecting Depository Participants**

The list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at NSE, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

### Statement of *Inter Se* Allocation of Responsibilities

Finshore Management Services Limited is the sole Lead Manager to this Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

### Credit Rating

This being an Issue of Right Equity Shares, credit rating is not required.

### Debenture Trustees

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

### Monitoring Agency

As the Issue Size is below ₹ 10,000 lakhs, the appointment of a monitoring agency is not required.

### Underwriting

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

### Filing of Draft Letter of Offer/Letter of Offer

The Draft Letter of Offer shall not be filed with SEBI, nor will SEBI issue any observation on the Draft Letter of Offer as the size of issue is less than Rs. Fifty Crores.

The Draft Letter of Offer is being filed with NSE for obtaining its in-principle approval.

However, our Company will submit a copy of the Letter of Offer to SEBI for the purpose of their information and dissemination on its website by mailing it to the e-mail address: [cfddil@sebi.gov.in](mailto:cfddil@sebi.gov.in).

### Minimum Subscription

The objects of the Issue involve financing other than financing of capital expenditure for a project and our Promoters and members of our Promoter Group have undertaken to (i) subscribe to the full extent of their respective Rights Entitlements, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR; and (ii) have also confirmed that they shall not renounce their Rights Entitlements except to the extent of renunciation within the promoter or members of promoter group.

Accordingly, in terms of the SEBI ICDR Regulations, the requirement of minimum subscription in the Issue is not applicable.

### Issue Schedule:

Last Date for credit of Rights Entitlements <sup>@</sup>	[•]
Issue Opening Date	[•]
Last Date for On Market Renunciation*	[•]
Issue Closing Date <sup>#</sup>	[•]
Finalising of Basis of Allotment with the Designated Stock Exchange (on or about)	[•]
Date of Allotment (on or about)	[•]
Date of credit (on or about)	[•]
Date of listing / Commencement of trading of Equity Shares on the Stock Exchanges (on or about)	[•]

*Note: The above timetable is indicative in nature and does not constitute any obligation on the Company or the Lead Manager. While our Company shall ensure that all the steps for completion of all the necessary formalities for the listing and trading of our equity shares on the NSE main board platform are taken within the prescribed timelines, the time table may change due to various factors such as extension of the issue period by the Company or any delay in receiving final listing and trading approval from the NSE. The Commencement of the trading of Equity shares will be entirely at the discretion of NSE in accordance with the applicable laws.*

*<sup>@</sup>In accordance with the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the Physical Shareholders as on Record Date, have to furnish the details of their demat account to the Registrar or the Company at least two Working Days prior to the Issue Closing Date to enable us to process the credit of Rights Entitlementment*

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

*# The Board of Directors or the Rights Issue Committee 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.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●]. Further, in accordance with the SEBI Rights Issue Circulars, (a) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date; or (b) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period. For details, see “*Terms of the Issue*” beginning on page 104 of this Draft Letter of Offer.

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

#### Change in Auditors during the last three (3) years

Name of the Auditor	M/s Kumar Roybarman Prasanta & Associates	M/s Bijan Ghosh & Associates
FRN No.	330634E	323214E
Peer Review No.	-	11330
Date of Appointment	29-09-2017	27-09-2021
Date of Resignation	25-09-2021	-
Period from	01-04-2017	01-04-2021
Period to	31-03-2021	31-03-2026
Email Id	<a href="mailto:prashantakrb@gmail.com">prashantakrb@gmail.com</a>	<a href="mailto:bijanghosh1967@yahoo.co.in">bijanghosh1967@yahoo.co.in</a>
Address	140A/4, N.S.C. Bose Road, Regent Estate, Kolkata- 700 092	C-16, Green Park, P. Majumder Road, Kolkata 700 078
Reason for Change	The auditor was not in possession of Peer Review Certificate	Current Auditor of the Company

### C. CAPITAL STRUCTURE

The Capital Structure of our company before the Issue and after giving effect to the Issue, as at the date of this Draft Letter of Offer, is set forth below:

(₹ in Lakhs except share data)

No.	Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
<b>A</b>	<b>Authorized Share Capital</b>		
	1,60,00,000 Equity Shares of ₹10/- each	1,600.00	--
<b>B</b>	<b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Issue</b>		
	76,94,000 Equity Shares of ₹10/- each	769.40	--
<b>C</b>	<b>Present issue in terms of this Draft Letter of Offer*</b>		
	Issue of 76,94,000 Equity Shares for cash at a price of ₹10/- per Equity Share	769.40	769.40
<b>D</b>	<b>Issued, Subscribed &amp; Paid-up Share Capital after the Issue**</b>		
	1,53,88,000 Equity Shares of face value of ₹10/- each	1538.80	1538.80

\* This Rights Issue has been authorized pursuant to a resolution of our Board dated May 30, 2022

\*\* Assuming full subscription to the Rights Entitlements and Allotment of the Rights Equity Shares.

#### Notes to the Capital Structure:

- Our Company does not have any employee stock option scheme or employee stock purchase scheme.
- Our Company does not have any outstanding warrants, options, convertible loans, debentures or any other securities convertible at a later date into Equity Shares, as on the date of this Draft Letter of Offer, which would entitle the holders to acquire further Equity Shares.
- All Equity Shares are fully paid-up and there are no partly paid Equity Shares outstanding as on the date of this Draft Letter of Offer. The Rights Equity Shares, when issued, shall be fully paid-up.
- A. Shareholding of Promoter and Promoter Group:**

The statement showing holding of Equity Shares of persons belonging to the category “Promoter and Promoter Group” including the details of lock-in, pledge of and encumbrance thereon as on the date of this Draft Letter of Offer are set forth hereunder:

Sr No.	Name of the Promoters & Promoter Group	No of Equity Shares held	% of Total Share Capital	Details of Equity Shares pledged/encumbered		Details of Equity Shares locked-in	
				Number of Shares	Holding in %	Number of Shares	Holding in %
1	Jugal Kishore Bhagat	37,91,273	49.28%	Nil	-	37,91,273	49.28%
2	Rekha Bhagat	11,94,727	15.52%	Nil	-	11,94,727	15.52%
	<b>Total</b>	<b>49,86,000</b>	<b>64.80%</b>	-	-	<b>49,86,000</b>	<b>64.80%</b>

- The statement showing specified securities acquired by the promoter and promoter group in the last one year immediately preceding the date of filing of this Draft Letter of Offer with the designated stock exchange:**

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

Sr. No.	Name of the Promoters & Promoter Group	No. of equity shares allotted/purchased/sold	Mode of Acquisition	Date of Acquisition
1.	Jugal Kishore Bhagat	10,21,273	Conversion of unsecured Loan	25/08/2021
2.	Rekha Bhagat	9,78,727	Conversion of unsecured Loan	25/08/2021
3.	Jugal Kishore Bhagat	25,00,000	Shares Swap	30/08/2021

**6. Intention and extent of participation in the Issue by the Promoter and Promoter Group:**

Our Promoter(s) and entities forming part of our Promoter Group have vide their letters dated August 22, 2022 (the “Subscription Letters”) undertaken:-

(a) to subscribe, jointly and/ or severally either to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoter or member(s) of the Promoter Group of our Company; and

(b) to subscribe, either individually or jointly and/ or severally with any other Promoter or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue.

Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such participation of additional Rights Equity Shares (including any unsubscribed portion of the Issue) is exempt in terms of Regulation 10(4)(b) of the Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the Takeover Regulations. However, any such participation of additional Rights Equity Shares (including any unsubscribed portion of the Issue) shall not result in a breach of the minimum public shareholding requirement stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.”

**7. The ex-rights price per Equity Share arrived in accordance with Regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ 13.87/-**

**8. Shareholding Pattern of our Company as per the last filing with the Stock Exchange in compliance with the provisions of the SEBI Listing Regulations:**

a) *The shareholding pattern of our Company for the year ended March 31, 2022 can be accessed on the website of the NSE at:*

<https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=DESTINY&tabIndex=sme>

b) *The statement showing shareholders holding more than 1% of the total number of Equity Shares for the year ended March 31, 2022 is as follows:*

**For Promoters and Promoters Group Category**

<https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=DESTINY&tabIndex=sme>

**For Public Category**

<https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=DESTINY&tabIndex=sme>

## SECTION V: PARTICULARS OF THE ISSUE

### A. OBJECTS OF THE ISSUE

The Objects of the Issue are to finance working capital requirement of our Company and in connection with our Company's current business activities and matters related thereto.

We intend to utilize the issue proceeds for the following objects:

- A. To meet the working capital requirements of the company
- B. To meet the Issue Expenses
- C. General Corporate Purposes

The main objects clause of our Memorandum enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the object clause of our Memorandum. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution. These are based on current circumstances of our business.

#### Requirement of Funds

Our funding requirement is dependent on a number of factors which may not be in the control of our management, changes in our financial condition and current commercial condition. Such factors may entail rescheduling and/or revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure.

The following table summarizes the requirement of funds:

Sr. No.	Particulars	Amount (₹ in Lakhs)	As a % of the Issue Size
A	To meet Working Capital requirement	629.40	81.80
B	Issue related expenses	40.00	5.20
C	General corporate purposes	100.00	13.00
	<b>Total Issue Proceeds</b>	<b>769.40*</b>	<b>100.00</b>

*\*Assuming full subscription*

#### Means of Finance:

We propose to meet the requirement of funds for the stated objects of the Issue from the Issue Proceeds. Hence, no amount is required to be raised through means other than the Issue Proceeds. Accordingly, the requirements under Regulation 62(1)(c) of the SEBI ICDR Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals) are not applicable.

In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail re-scheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013 / Companies Act, 1956.

#### Details of the Use of the Proceeds

##### A. Working Capital Requirement and basis of estimation:

Our business is working capital intensive and our company funds a majority of our working capital requirement through internal accruals and Banking limits. For the expansion of our business and to enter new geographical areas, our company requires additional working capital which is based on our management estimations of the future business plan for the FY 2022-23.



Details of estimation of working capital requirement are as follows:

(Amount in ₹)

Particulars	31-03-2020	31-03-2021	31-03-2022	31-03-2023
	(Restated)	(Restated)	(Restated)	(Estimation)
Inventory	-	42.29	51.22	258.33
Trade Receivables	165.05	358.36	1755.61	2,066.67
Cash and Cash Equivalent	0.44	1.37	43.10	154.60
Short Term Loans and advances	10.00	246.14	237.44	550.00
Other Current Asset	4.63	11.34	69.09	300.00
<b>Total Current Asset</b>	<b>180.11</b>	<b>658.51</b>	<b>2156.47</b>	<b>3329.60</b>
Sundry Creditors	11.20	37.99	470.05	431.25
Other Current Liabilities	8.56	147.65	339.96	325.00
<b>Total Current Liabilities</b>	<b>19.76</b>	<b>185.64</b>	<b>810.01</b>	<b>756.25</b>
<b>Working Capital Gap</b>	<b>160.35</b>	<b>473.87</b>	<b>1346.46</b>	<b>2573.35</b>
<b>Source of Working Capital</b>				
Proceeds from the Right Issue	Nil	Nil	Nil	629.40
Short term borrowings	90.50	348.35	178.49	496.60
Internal Accrual	69.85	124.52	1,167.98	1447.35
<b>Total</b>	<b>160.35</b>	<b>473.87</b>	<b>1346.46</b>	<b>2573.35</b>

**Assumption on working capital requirement:**

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

Particulars	31-03-2020	31-03-2021	31-03-2022	31-03-2023
Sundry Debtors Holding period (Months)	2.93	4.28	6.07	4.00
Inventory Holding Period (Months)	Nil	0.50	0.18	0.50
Sundry Creditor Holding Period (Months)	0.21	0.47	1.96	1.00

**Justification for Holding Period:**

Particulars	Details
Sundry Debtors Holding period	In Fiscal 2020, 2021 and 2022 our average Debtor holding period was 2.93 months, 4.28 month and 6.07 months respectively. We are estimating to maintain the Debtor holding period at levels of 4.00 months for Fiscal 2023 as per our projected financials and market condition.
Inventory Holding Period	In Fiscal 2020 and 2021 there was no inventory and in 2022 our average Inventory holding period was Nil, 0.50 month and 0.18 month respectively. We are estimating to maintain the Inventory holding period at levels of 0.50 month for Fiscal 2023 as per our projected financials and market condition.
Sundry Creditor Holding Period	In Fiscal 2020, 2021 and 2022 our average Creditor holding period was 0.21month, 0.47 month and 1.96 months respectively. However, going forward we are estimating to maintain the Creditor holding period at levels of 1.00 month for Fiscal 2023 to avail better pricing and reducing the cost of purchase.

## B. General Corporate Purpose

The Issue Proceeds will be first utilized towards the Objects as mentioned as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the Issue Proceeds, in compliance with the Regulation 62(2) of SEBI ICDR Regulations, 2018. Our Company intends to deploy the balance Issue Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

(i) Strategic initiatives (ii) brand building and strengthening of marketing activities; and (iii) ongoing general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head "General Corporate Purposes" and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Issue Proceeds for general corporate purposes, as mentioned above.

### C. Issue Related Expense

The expenses for this Issue include issue management fees, registrar fees, legal advisor fees, printing and distribution expenses, issue related advertisement expenses, depository charges and listing fees etc. to the Stock Exchange, among others. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

Activity	Estimated Expenses (₹ in Lakhs)	As a % of Total Estimated Issue Expenses	As a % of the Total Issue Size
Fees payable to the intermediaries like Lead Manager, RTA, Legal Advisor, Banker including Brokerage, Selling Commission and upload Fees etc.	22.00	55.00	2.86
Advertising and Marketing Expenses	5.00	12.50	0.65
Fees payable to Regulators Including Stock Exchange	8.00	20.00	1.04
Printing and Other Miscellaneous charges	5.00	12.50	0.65
<b>Total</b>	<b>40.00</b>	<b>100.00</b>	<b>5.20</b>

### Appraisal Report

None of the objects for which the Net Proceeds from the Issue will be utilised have been appraised by any financial institutions/banks.

### Strategic and/ or Financial Partners

There are no Strategic and Financial partners.

### Schedule of implementation

Our Company proposes to utilize funds collected in rights issue after finalisation of the basis of allotment. Post completion of the rights issue, the company will immediately use the funds for the purpose stated in the objects of the issue.

### Bridge Financing Facilities

As on the date of this Draft Letter of Offer, we have not raised any bridge loans which are proposed to be repaid from the Issue Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement/cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue.

### Interim Use of Funds

Pending utilization for the purposes described above, we undertake to temporarily deposit the funds from the Net Proceeds in the scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in the equity shares of any other listed company. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Issue Proceeds. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when need arises for utilization of process for the objects of the issue.

### Interest of Promoter, Promoter Group and Directors, in the objects of the Issue

Our Promoter, Promoter Group and Directors do not have any interest in the objects of the Issue. No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, Promoter Group and Directors of our Company.

### Monitoring Utilization of Funds

As the Issue size is less than ₹ 10,000 Lakhs, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency. Our Board and the management will monitor the utilization of the Issue Proceeds through its audit committee. Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Letter of Offer and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

### Other Confirmations

No part of the Net Proceeds of the Issue will be utilized by our Company as consideration to our Promoter, members of the Promoter Group, Directors, Group Entities or key management personnel. Our Company has not entered into or is not planning to enter into any arrangement/ agreements with Promoter, Directors, key management personnel, associates or Group Entities in relation to the utilization of the Net Proceeds of the Issue.

### Key Industry Regulation for the proposed objects of the issue

The object of the issue is to utilize the fund in the existing business activity of the company. So specific key industry regulation is same as the present industry regulation applicable to the company.

**B. STATEMENT OF POSSIBLE TAX BENEFITS**

To,  
The Board of Directors  
Destiny Logistics & Infra Limited  
Registered Office – 375, Dakshindari Road,  
Parganas North, West Bengal - 700048

Dear Sirs,

**Sub: Statement of possible Special Tax Benefits (“the Statement”), as required under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“the Regulations”), available in connection with proposed Rights Issue of Equity Shares (the “Rights Issue”) of Destiny Logistics & Infra Limited (the “Company”)**

We report that there are no possible special direct tax benefits available to the Company, its shareholders under the Income-tax Act, 1961, presently in force in India.

This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue.

Neither we are suggesting nor advising the investor to invest money based on this statement. The contents of this statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

We hereby give consent to include this statement of tax benefits in the Draft Letter of Offer, the Letter of Offer and in any other material used in connection with the Issue.

**No assurance is given that the revenue authorities / courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change**

We shall not be liable to Company for 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 of intentional misconduct.

For and on behalf of  
**M/s. Bijan Ghosh & Associates**  
Chartered Accountants  
Firm Registration No: 323214E

Sd/-

CA Bijan Ghosh  
(Proprietor)  
Membership No: 009491  
Place: Kolkata  
Dated: 5<sup>th</sup> August, 2022  
UDIN No: 22009491AOJLCA8260

## SECTION VI: ABOUT THE COMPANY

### INDUSTRY OVERVIEW

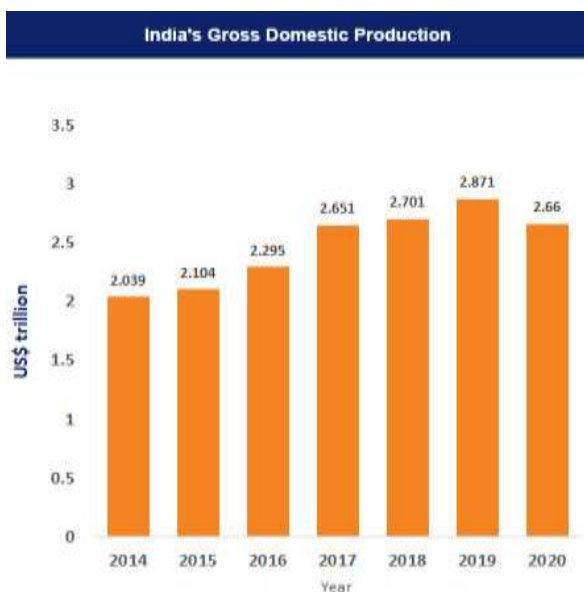
Unless noted otherwise, the information in this section is obtained or extracted from “www.ibef.org” and also extracted from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have independently verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

### OVERVIEW OF INDIAN ECONOMY

#### INTRODUCTION

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.

#### MARKET SIZE



- ❖ India’s nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY2021-22.,
- ❖ India is the third-largest unicorn base in the world with over 83 unicorns collectively valued at US\$ 277.77 billion, as per the Economic Survey. By 2025, India is expected to have 100 unicorns, which will create ~1.1 million direct jobs according to the Nasscom-Zinnov report ‘Indian Tech Start-up’.
- ❖ India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030s, for productivity and economic growth according to McKinsey Global Institute. The net employment rate needs to grow by 1.5% per year from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030.
- ❖ According to data from the Department of Economic Affairs, as of January 28, 2022, foreign exchange reserves in India reached the US\$ 634.287 billion mark.

#### RECENT DEVELOPMENTS

Recent economic developments in India are as follows:

- ❖ With an improvement in the economic scenario, there have been investments across various sectors of the economy. The private equity - venture capital (PE-VC) sector recorded investments worth US\$ 5.8 billion across 117 deals in February 2022, 24% higher than in January 2022. Some of the important recent developments in the Indian economy are as follows:
- ❖ India’s merchandise exports were at an all-time high of US\$ 417.81 billion in FY22. In April 2022, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 54.7.
- ❖ The gross Goods and Services Tax (GST) revenue collection hit an all-time high of Rs. 1.68 trillion (US\$ 21.73 billion) in April 2022. This is a 20% increase over the previous year.

- ❖ According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDI equity inflow in India stood at US\$ 572.80 billion between April 2000-December 2021.
- ❖ India's Index of Industrial Production (IIP) for January 2022 stood at 138.4 against 136.6 for January 2021.
- ❖ Consumer Food Price Index (CFPI) – Combined inflation was 2.9% in 2021-22 (April-December) against 9.1% in the corresponding period last year.
- ❖ Consumer Price Index (CPI) – Combined inflation was 5.20% in 2021-2022 (April-December) against 6.6% in 2020-21
- ❖ Foreign portfolio investors (FPIs) invested Rs.50,009 crore (US\$ 6.68 billion) in the Calendar year 2021.
- ❖ The wheat procurement in Rabi 2021-22 and the anticipated paddy purchase in Kharif 2021-22 would include 1208 lakh (120.8 million) metric tonnes of wheat and paddy from 163 lakh (16.7 million) farmers, as well as a direct payment of MSP value of Rs. 2.37 lakh crore (US\$ 31.74 billion) to their accounts.

## GOVERNMENT INITIATIVES

The Government of India has taken several initiatives to improve the economic condition of the country. Some of these are:

- ❖ 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).
- ❖ The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, 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 Rs. 10.68 lakh crore (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- ❖ Under PM GatiShakti Master Plan the National Highway Network will develop 25,000 km of new highways network which will be worth Rs. 20,000 crore (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, 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 AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 lakh crore (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 Rs. 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 Rs. 2500 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 Rs. 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 Rs. 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 Rs. 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 Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 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 Rs. 2.38 lakh crore (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.
- ❖ To boost the overall audit quality and transparency and add value to businesses, in April 2021, the RBI issued a notice on new norms to appoint statutory and central auditors for commercial banks, large urban co-operatives, and large non-banks and housing finance firms.
- ❖ In May 2021, the Government of India allocated Rs. 2,250 crore (US\$ 306.80 million) for the development of the horticulture sector in 2021-22.
- ❖ In November 2020, the Government of India announced Rs. 2.65 lakh crore (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 ~Rs. 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 an 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 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 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 FY2022-23; it is expected to raise Rs. 4 lakh crore (US\$ 53.58 billion) in the next three years.
- ❖ By November 1, 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, NITI Aayog and Cisco collaborated to encourage women's entrepreneurship in India.
- ❖ 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 June 2021, RBI Governor Mr. Shaktikanta Das announced the policy repo rate unchanged at 4%. He also announced various measures, including Rs. 15,000 crores (US\$ 2.05 billion) liquidity support to contact-intensive sectors such as tourism and hospitality.

- ❖ In June 2021, Finance Ministers of G-7 countries, including the US, the UK, Japan, Italy, Germany, France and Canada, attained a historic contract on taxing multinational firms as per which the minimum global tax rate would be at least 15%. The move is expected to benefit India by increasing foreign direct investments in the country.
- ❖ In June 2021, the Indian government signed a US\$ 32 million loan with World Bank for improving healthcare services in Mizoram.
- ❖ In May 2021, the Government of India (GoI) and European Investment Bank (EIB) signed the finance contract for the second tranche of EUR 150 million (US\$ 182.30 million) for the Pune Metro Rail project.
- ❖ According to an official source, as of September 15, 2021, 52 companies have filed applications under the Rs. 5,866 crore (US\$ 796.19 million) production-linked incentive scheme for the white goods (air conditioners and LED lights) sector.
- ❖ In May 2021, Union Cabinet approved the signing of a memorandum of understanding (MoU) on migration and mobility partnership between the Government of India, the United Kingdom of Great Britain and Northern Ireland.
- ❖ In April 2021, Minister for Railways and Commerce & Industry and Consumer Affairs, Food & Public Distribution, Mr. Piyush Goyal, launched the 'DGFT Trade Facilitation' app to provide instant access to exporters/importers anytime and anywhere.
- ❖ 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 going to increase public health spending to 2.5% of the GDP by 2025.

## ROAD AHEAD

Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution Mr. Piyush Goyal, on January 21, 2022 said that Indian industry to raise 75 unicorns in the 75 weeks leading up to the country's 75th anniversary next year.

Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal said that India will achieve exports worth US\$ 1 trillion by 2030.

India's electronic exports are expected to reach US\$ 300 billion by 2025-26. This will be nearly 40 times the FY2021-22 exports (till December 2021) of US\$ 67 billion.

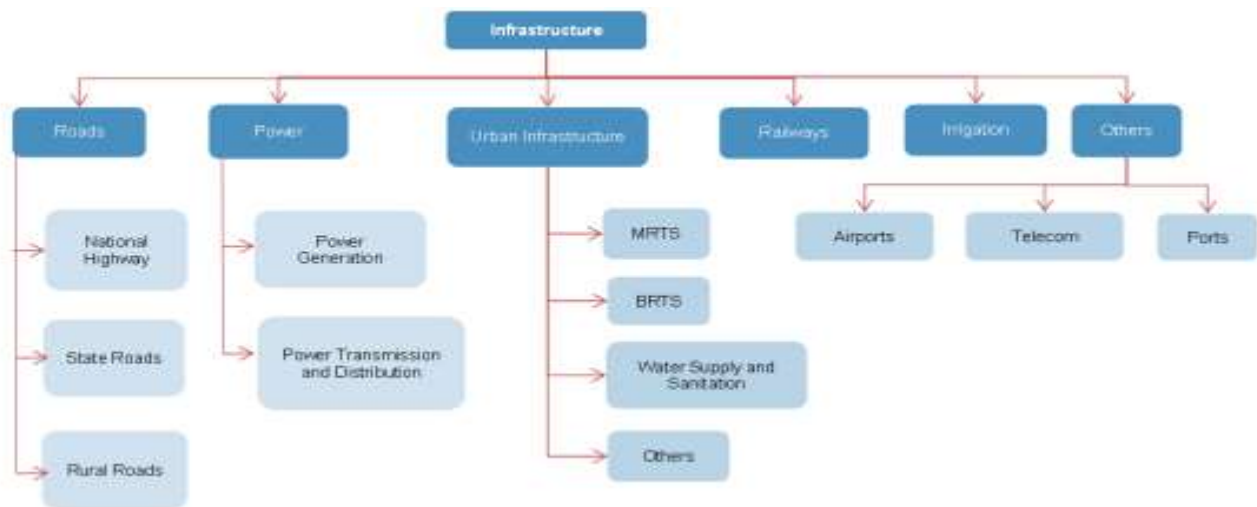
As per the data published in a Department of Economic Affairs report, in the first quarter of FY22, India's output recorded a 20.1% YoY growth, recovering >90% of the pre-pandemic output in the first quarter of FY20. India's real gross value added (GVA) also recorded an 18.8% YoY increase in the first quarter of FY22, posting a recovery of >92% of its corresponding pre-pandemic level (in the first quarter of FY20). Also, in FY21, India recorded a current account surplus of 0.9% of the GDP. The growth in the economic recovery is due to the government's continued efforts to accelerate vaccination coverage among citizens. This also provided an optimistic outlook to further revive industrial activities.

As per RBI's revised estimates for July 2021, the real GDP growth of the country is estimated at 21.4% for the first quarter of FY22. The increase in the tax collection, along with the government's budget support to states, strengthened the overall growth of the Indian economy.

India is focusing on renewable sources to generate energy. It is planning to achieve 40% of its energy from non-fossil sources by 2030. In line with this, in May 2021, India, along with the UK, jointly launched a 'Roadmap 2030' to collaborate and combat climate change by 2030.

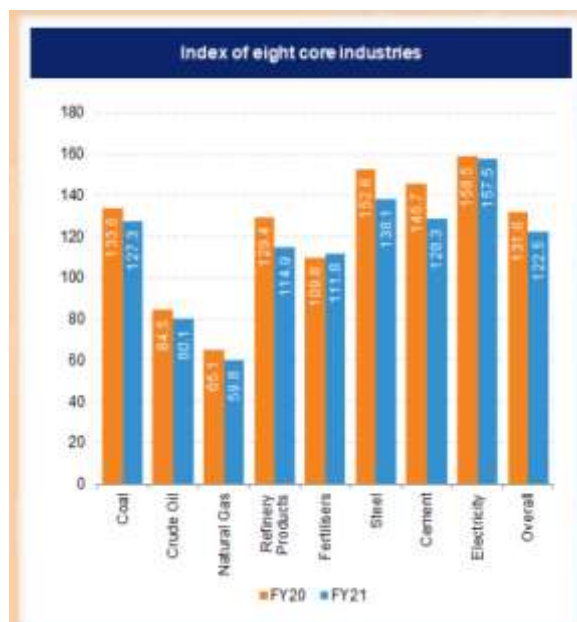
India is expected to be the third-largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to a shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated to surpass the USA to become the second-largest economy in terms of purchasing power parity (PPP) by 2040, as per a report by PricewaterhouseCoopers.

## INDIAN INFRASTRUCTURE INDUSTRY



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

## MARKET SIZE



According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDI in construction development (townships, housing, built-up infrastructure and construction development projects) and construction (infrastructure) activity sectors stood at US\$ 26.17 billion and US\$ 26.30 billion, respectively, between April 2000-December 2021. In FY21, infrastructure activities accounted for 13% share of the total FDI inflows of US\$ 81.72 billion.

## GOVERNMENT INITIATIVES:

- In March, Mr. Nitin Gadkari, Minister for Road Transport and Highways inaugurates 19 National Highway projects in Haryana and Rajasthan totalling Rs 1,407 crore (US\$ 183.9 million).
- The government expanded the 'National Infrastructure Pipeline (NIP)' to 9,335 projects. ~217 projects worth Rs. 1.10 lakh crore (US\$ 15.09 billion) were completed as of 2020.



- In November 2021, the Asian Development Bank (ADB) has approved a US\$ 250-million loan to support development of the National Industrial Corridor Development Programme (NICDP). This is a part of the US\$ 500-million loan to build 11 industrial corridors bridging 17 states.
- In November 2021, India, the US, Israel and the UAE established a new quadrilateral economic forum to focus on infrastructure development projects in the region and strengthen bilateral co-operation.
- The initiative ‘Infrastructure for Resilient Island States’ (launched in November 2021) will give India a huge opportunity to contribute to the betterment of other vulnerable countries in the world.
- In October 2021, the Union Cabinet of India approved the PM GatiShakti National Master Plan—including implementation, monitoring and support mechanism—for providing multi-modal connectivity.
- As a part of the GatiShakti National Master Plan, the government is planning to launch geospatial digital platform to facilitate planning and monitoring of projects ranging from telecom networks, gas pipelines to road and railways.
- In October 2021, the Dubai government and India, inked an agreement to develop infrastructure such as industrial parks, IT towers, multipurpose towers, logistics centres, a medical college and a specialised hospital in Jammu & Kashmir.
- In FY22, government initiatives such the National Infrastructure Pipeline, National Monetisation Pipeline, Bharatmala Pariyojana, changes in the Hybrid Annuity Model (HAM) and fast pace of asset monetization to boost road construction.
- As of October 2021, the Ministry of Road Transport and Highways constructed national highways extending 4,450 kms compared with 4,956 kms, as of October 2020.
- In September 2021, National Mineral Development Corporation Ltd. (NMDC) R&D Centre collaborated with CSIR-IMMT (Institute of Minerals and Materials Technology) to pursue combined research projects on iron ore mining technologies.
- In September 2021, the Indian government announced road projects worth Rs. 1 lakh crore (US\$ 13.48 billion) to develop road infrastructure in Jammu and Kashmir. The region also recorded growth in national highways, from 7 in 2014 to 11 in 2021.
- On September 29, 2021, NTPC Renewable Energy Ltd (REL), a 100% subsidiary of NTPC Ltd, signed its first green term loan agreement with Bank of India for Rs. 500 crore (US\$ 67.28 million) at a competitive rate and a tenor of 15 years for its 470 MW solar projects in Rajasthan and 200 MW solar projects in Gujarat.
- In August 2021, the Government of India, the Central Water Commission (CWC), government representatives from 10 participating states and the World Bank signed a US\$ 250 million project to support the Indian government’s long-term dam safety programme and improve safety and performance of existing dams across various states.
  - The Second Dam Rehabilitation and Improvement Project (DRIP-2) will strengthen dam safety by building dam safety guidelines, bring in global experience and introduce innovative technologies. The project will be implemented in ~120 dams across Chhattisgarh, Gujarat, Kerala, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Odisha, Rajasthan and Tamil Nadu, and at the national level through the CWC.
- In August 2021, Union Minister of Road Transport Highways, Mr. Nitin Gadkari announced to launch 1,080-km (road construction) projects worth Rs. 25,370 crore (US\$ 3.4 billion) in Gujarat under the Bharatmala Pariyojana—the ambitious road and highways project that aims to build highways from Maharashtra, Gujarat, Rajasthan, Punjab, Haryana and then cover the entire string of Himalayan territories.
- In July 2021, the Ministry of Road Transport & Highways allocated Rs. 165 crore (US\$ 22 million) under Economic Importance and Inter State Connectivity Scheme (EIC&ISC) for FY22.
- In July 2021, the Ministry of Road Transport and Highways granted 162-km road highway (New NH-365BG), as part of the economic corridor under the Bharatmala Pariyojana, with an aim to connect Andhra Pradesh and Telangana via a robust road infrastructure that supports speed of 100kms/hour. The total project cost is Rs. 2,600 crore (US\$ 350 million).
- In July 2021, Copenhagen Infrastructure Partners (CIP) signed an investment agreement with Amp Energy India Pvt Ltd. to enable joint equity investments of >US\$ 200 million in renewable energy projects in India, with the potential for future expansion.

- To encourage rooftop solar (RTS) throughout the country, notably in rural regions, the Ministry of New and Renewable Energy is undertaking Rooftop Solar Programme Phase II, which aims to install RTS capacity of 4,000 MW in the residential sector by 2022 with a provision of subsidy.
- The Ministry of Commerce's Logistics Division presented its plans for 'Freight Smart Cities' in July 2021, with goal of improving the efficiency of urban freight and lowering logistics expenses. Over the next 10 years, demand for urban freight is predicted to increase by 140%. Final-mile freight transit in Indian cities accounts for 50% of the total logistics expenditures in the country's increasing e-commerce supply chains. According to ICRA ratings, the domestic road logistics sector is predicted to grow by 6-9% in FY22.
- The XV Finance Commission recommended Rs. 8,000 crore (US\$ 1,077 million) performance-based challenge money to states for new city incubation in July 2021. Each proposed new city has a budget of Rs. 1,000 crore (US\$ 134 million) and each state can only have one new city under the proposed concept.
- In July 2021, NTPC announced to invest Rs. 2-2.5 crore (US\$ 0.27-0.34 million) over the next 10 years to expand renewable capacity and invited bids for an engineering, procurement, and construction (EPC) package, with land development for 500 MW of grid-connected solar projects anywhere in India.
- In July 2021, the Ministry of Petroleum and Natural Gas, the government-owned GAIL lined up Rs. 5,000 crore (US\$ 671.14 million) for setting up two plants each for producing ethanol and compressed biogas (CBG) from municipal waste.
- In June 2021, Mr. Rajnath Singh, the Minister of Defence e-inaugurated 20 kms long double lane Kimin-Potin road, together with nine other roads in Arunachal Pradesh and one each in the Union Territories of Ladakh and Jammu & Kashmir, built by Border Roads Organisation (BRO).
- In June 2021, Mr. Prakash Javadekar, the ex-Minister of Heavy Industries and Public Enterprises, inaugurated NATRAX, the 1000-acre high-speed track (HST) in Indore. This is Asia's longest track and can be used for a variety of high-speed performance testing on a wide range of vehicles.
- In June 2021, the NTPC floated a global Expression of Interest (EOI) to set up two pilot projects for standalone fuel cell-based backup power system and a standalone fuel cell-based microgrid system with hydrogen production using electrolyser at NTPC premises. Through the projects, NTPC is looking to further strengthen its footprint in green and clean fuel. The NTPC will collaborate for implementation and further commercialisation of the projects.
- In May 2021, Minister for Road Transport & Highways and Micro, Small and Medium Enterprises, Mr. Nitin Gadkari stated that the government is giving utmost priority to infrastructure development and has set a target of road construction of worth Rs.15 lakh crore (US\$ 206 billion) in the next two years.
- The Ministry of Railways plans to monetise assets including Eastern and Western Dedicated Freight Corridors after commissioning, induction of 150 modern rakes through PPP, station redevelopment through PPP, railway land parcels, multifunctional complexes (MFC), railway colonies, hill railways and stadiums.
- In March 2021, the government announced a long-term US\$ 82 billion plan to invest in the country's seaports. ~574 projects have been identified, under the Sagarmala project, for implementation through 2035.
- In April 2021, the Ministry of Power (MoP) released the draft National Electricity Policy (NEP) 2021. The MoP created an expert committee including members from state governments, the Ministry of New and Renewable Energy (MNRE), NITI Aayog and the Central Electricity Authority (CEA).
- In March 2021, the Parliament passed a bill to set up the National Bank for Financing Infrastructure and Development (NaBFID) to fund infrastructure projects in India.
- Indian railways received Rs. 1,10,055 crore (US\$ 15.09 billion), of which Rs. 1,07,100 crore (US\$ 14.69 billion) is for capital expenditure.
- Rs. 1,18,101 crore (US\$ 16.20 billion) has been allocated towards road transport and highway sector.
- In Budget 2021, the government announced the following interventions under Pradhan Mantri Aatmanirbhar Swasth Bharat Yojana (PMANSY):

- ✓ An outlay of Rs. 64,180 crore (US\$ 8.80 billion) over six years to strengthen the existing ‘National Health Mission’ by developing capacities of primary, secondary & tertiary care and healthcare systems & institutions to detect and cure new and emerging diseases.
  - ✓ This scheme will strengthen 17,000 rural and 11,000 urban health and wellness centres.
  - ✓ Setting up integrated public health labs in all districts and 3,382 block public health units in 11 states.
  - ✓ Establishing critical care hospital blocks in 602 districts and 12 central institutions.
  - ✓ Strengthening the NCDC (National Centre for Disease Control) to have five regional branches and 20 metropolitan health surveillance units.
  - ✓ Expanding integrated health information portal to all states/UTs.
  - ✓ Rolling out the pneumococcal vaccine, a ‘Made in India’ product, across the country.
  - ✓ Rs. 35,000 crore (US\$ 4.80 billion) has been allocated for COVID-19 vaccines in FY22.
- The government announced Rs. 18,998 crore (US\$ 2.61 billion) for metro projects.
  - Mega Investment Textiles Parks (MITRA) scheme was launched to establish world-class infrastructure in the textile sector and establish seven textile parks over three years.
  - The government announced Rs. 305,984 crore (US\$ 42 billion) over the next five years for a revamped, reforms-based and result-linked new power distribution sector scheme.

## **ROAD AHEAD**

The infrastructure sector has become the biggest focus area for the Government of India. India plans to spend US\$ 1.4 trillion on infrastructure during 2019-23 to have a sustainable development of the country. The Government has suggested investment of Rs. 5,000,000 crore (US\$ 750 billion) for railways infrastructure from 2018-30.

India and Japan have joined hands for infrastructure development in India's Northeast states and are also setting up an India-Japan Coordination Forum for Development of Northeast to undertake strategic infrastructure projects for the region.

## OUR BUSINESS

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the equity shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk.*

*For a discussion of certain risks in connection with investment in the Equity Shares, you should read “Risk Factors” on page 17 of this Draft Letter of Offer, for a discussion of the risks and uncertainties related to those statements, as well as “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 65 and 85, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Unaudited Financial Statements and Audited Financial Statements.*

### BRIEF OVERVIEW

Our company is founded and promoted by Mr. Jugal Kishore Bhagat and Mrs. Rekha Bhagat and since then our Company is in the business of Logistics involving land-based transportation through third-party service provider. Presently our services are mainly in the domestic market, more specifically in the state of West Bengal. We procure third party vehicles both contractually and in the spot market. We offer our customers, transport management services and arrange for third party-operator to handle freight related services. We provide complete range of services like packaging, loading, transportation, unloading and unpacking of items to facilitate our customers with end-to-end solutions. This asset light business model allows for scalability of services as well as flexibility to develop and offer customized logistic solutions across diverse sectors. We provide end-to-end safe mobility and delivery of items.

We are also currently engaged in the infrastructure project- Construction of Storm Water Drainage Scheme for Municipal Town of Tarakeswar, Hooghly, West Bengal under Tarakeswar Development Authority, West Bengal and the work is under progress. Further, we are doing trading activities, mainly into building materials like cement, etc.

#### **Business Model including process flow:**

Our Logistics business involves land based transportation. The vehicles are mostly procured from third party service providers. Our Company acts as an aggregator for providing Logistics services which mainly includes transportation and other allied services to facilitate the client like providing loading, unloading, packing and unpacking of items. Our services are mainly in the domestic market, more specifically in the state of West Bengal. This asset light business model allows for scalability of services as well as flexibility to develop and offer customized logistic solution across diverse sectors. We provide end-to-end safe mobility and delivery of items.

The process flow is defined below:

- Our Marketing team procures clients either through own sourcing or through middlemen and also through cross selling of clients through our group companies.
- Upon receipt of the delivery details, we deploy our personnel for packing the goods which usually done at the clients place using the packing materials as per the clients specifications for delivery to the ultimate customer who has ordered for the products.
- Simultaneously, we arrange for the transport through third party service providers who are available on call and through our known sources. We also have a fleet of vehicles which are in the name of the promoter and same is also used for delivery purposes.
- Our consignment closes upon successful delivery to the ultimate consumer

The contract with the clients is short term and arrangements with the transporters are on per consignment basis. Our promoters are the guiding force to propel the sales and marketing who are assisted by our Sales & Marketing team of 4 employees. The team sources clients through known contacts, middlemen and through cross selling through our group companies. Our dedicated and timely service ensures further clients through word of mouth. We cater to all the business segments particularly the supply of fruits, vegetables, dry fruits, groceries, electronic goods etc. Our company has also entered into contracts ranging from two to three years for the logistics services.

Our Company had received a work order dated September 3, 2021 from National Projects Construction Corporation Limited (NPCC Ltd.) for execution of the work – “Construction of Storm Water Drainage Scheme for Municipal Town of Tarakeswar, Hooghly, West Bengal under Tarakeswar Development Authority, West Bengal”. The total Contract Value awarded was Rs. 58.27 crores. As per the Agreement dated September 13, 2021, the scheduled date of completion of the work is June 4, 2023. The work is currently under progress.

### Financial Highlights:

Financial highlights of our company as per Restated Financial information is as under:

(Amount in Rs.)

Particulars	31-03-2022	31-03-2021	31-03-2020
Total Net Worth	16,68,71,798	1,00,14,950	69,84,937
Total Revenue	34,75,30,468*	10,05,78,758	6,74,96,520
EBTIDA	1,86,86,663	55,93,745	17,05,944
Profit After Tax	1,29,76,848	30,30,013	5,11,430
Profit After Tax in %	3.73%	3.01%	0.76%

\*The total revenue for the financial year ending 31<sup>st</sup> Mar, 2022 comprises of approx 60% from Infrastructural activities, approx 32% from Logistics and approx 8% from Trading activities.

### Our Competitive Strengths:

1. **Organizational stability along with management expertise:** Our group has an established track record of over 10 years which puts us in a much stronger position to deal with any adverse situation both economic and business cycle. Our promoters are the guiding force behind the operational and financial decision of our company. Our promoters are responsible for the entire business operations of the company along with an experienced team of professionals who are part of the core team which makes things easier to handle successfully. This indicates our ability to maintain business viability and steer the business through operational hurdles with ease and convenience.
2. **Smooth flow of operations:** We have maintained good relationship with our major customers and are successful in building a strong clientele base for the enhancement of our business. Our existing relationships help us to get repeat businesses from our customers. This has helped us to maintain a long-term working relationship with our customers and improve our customer retention strategy. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our business.
3. **Well-defined organizational structure:** The Company has a qualified and experienced management team empowered to take decisive decisions which acts as a catalyst while performing execution of contracts and services. Our Company is managed by a team of competent personnel having knowledge of core aspects of nitty gritty of the business in which we are presently in force. We have an experienced management team having vast experience in the industry and this puts us in a much better position to deal with all challenges in the best interests of our customers. We believe that our senior management has pioneered our growth and fostered a culture of innovation, entrepreneurship and team work within our organization thus providing a room for the next generation to be geared up in handling fast changes taking place in the Industry and Society at large. We believe that a motivated and empowered employee base is key to our competitive advantage. Our robust HR policy provides enough opportunity to our employees to perform, excel and be recognized and rewarded. We believe that our experience, knowledge and human resources that we possess goes a long way in extending the best practices towards our customers and employees at large. We also have a structured training and motivation schedule as an overall part of our organization culture and strategy.
4. **Comprehensive solution for transportation requirement:** We are providing comprehensive third-party logistics services, end-to-end customized logistics solutions to our clients. Our Company focuses on attaining highest level of customer satisfaction.

### OUR BUSINESS STRATEGY

1. **Capitalise on the growth of the third-party logistics industry in India:** As a policy and as a strategy we believe that we do have a distinct advantage in reaping the benefits of our robust economy and economic activity currently prevalence in our country and logistics do come as a front runner in this emerging trend and thereby our focus on third party logistics solutions driven by a partnership methodology do give us an edge to stay on course to deliver the best. Besides, logistics solutions, our company too have forayed into the infrastructure space wherein our maiden project is from a Government Institution and this will go a long way in expanding our scope of offerings.
2. **Quality Services:** Our focus lies in quality services and in this regard, we shall continue to maintain quality above all be it be customer services or to that matter well trained employees as this will ensure constant growth of our business and retain customers.

3. **Increase geographical presence:** Our emphasis is on expanding the scale of our operations as well as growing our supply chain network, which we believe will provide attractive opportunities to grow our clientele base and revenues.
4. **Leverage and enhance our Goodwill in the market:** We believe that the Goodwill we have created in the market commands a recall amongst the consumers in the areas we operate and with qualitative approach and with constant upgradation and diversification our company will benefit both on revenue as well as in retaining and adding more customers.
5. **Improving operational efficiencies:** Our Company's approach lies in improving operational efficiencies to achieve cost reductions leading to a competitive edge over the peers. Our services are backed with latest technology driven platform and we strive to upgrade the same on a regular and on an ongoing basis. We believe in strong in-house management and protocols to control the entire process as this will benefit us from unnecessary over spending on materials and manpower.
6. **Leveraging our Market skills and Relationships:** This is a continuous process in our organization and the skills that we impart to our personnel is aimed towards practicing the best protocols and practices keeping in mind our customers as well as our reputation goes.
7. **Increasing the customer reach:** Our approach lies in planning and implementation in a seamless manner as we believe this will have a positive impact on our customers in meeting to their needs.
8. **Innovative & Marketing Method:** Keeping in mind the fast-changing trends in the market place, our constant effort goes in upgrading our marketing strategy with effective communication tools which addresses the needs of our existing customers as well as attract newer set of customers.

## SWOT ANALYSIS

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>➤ Established operations and proven track record</li> <li>➤ Smooth flow of operations and Business Model</li> <li>➤ Experienced Management Team</li> <li>➤ Satisfied customer with quality and service</li> </ul>	<p><b>Weakness</b></p> <ul style="list-style-type: none"> <li>➤ Insufficient market reach</li> <li>➤ Heavy dependence on third-party</li> <li>➤ High working capital requirement</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>➤ Potential to provide other value-added services</li> <li>➤ Expanding new geographical area</li> <li>➤ Enhancing functional efficiency</li> <li>➤ Opportunities in Indian Market</li> <li>➤ Government thrust for growth in Indian Economy will boost the logistics &amp; Infrastructure Industry</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>➤ Increased Competition from Big Players</li> <li>➤ Change in Government Policies</li> <li>➤ Rising labour wages</li> <li>➤ Margins may be constrained in the future</li> <li>➤ There are no entry barriers in our industry which puts us to the threat of competition from new entrants</li> </ul>

## COMPETITION

The logistics and infrastructure industry in India is very much unorganized and highly fragmented and the main challenges lies in quality, reliability, pricing and goodwill to mention the least in India. Our organization is well geared up in meeting to all these concerns and challenges and have put in place the necessary protocols to stay afloat in the market place with a difference.

There are no entry barriers in our industry which puts us to the threat of competition from new entrants as there are numerous players operating in the industry. We face tough competition in our business from a large number of unorganized as well as from organized players operating in the similar space. Our aim is to provide the branded, standardized and uniform qualitative services at competitive prices to our consumers. Many of our competitors have substantially large capital base and resources than we do and offer broader range of products and services. We believe that the principal factors of competition in our business include clientele relationships, professional employees, pricing and reliability. We believe that our ability to compete effectively is primarily dependent on ensuring consistent service quality and timely delivery at competitive prices, thereby strengthening our brand over the years. We believe that our cost effective and integrated offerings approach puts us ahead in dealing with all challenges and expectations by our customers.

## HUMAN RESOURCES

Human Resources and an effective and efficient human resource is a key to the success of any organization and our company has been well focused in adopting the best standards in the Industry which not only gives us the benefit of attracting good talent but gives us an edge towards providing best qualitative services to our customers. Our manpower is a mix of experienced and young talent pool of resources which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

## PLANT & MACHINERY, TECHNOLOGY, PROCESS, ETC

We do not own any major plant and machinery nor any technology.

## COLLABORATIONS

As on date of this Draft Letter of Offer, our Company has not entered into any technical or other Collaborations.

## EXPORT AND EXPORT OBLIGATIONS

As on date of this Draft Letter of Offer, our Company does not have any export obligations.

## SALES & MARKETING

Our company possesses the right mix of talented resource in the areas of sales and marketing which effectively caters to our customers and as a policy we continue to invest in our people who are the link to our customer base both existing as well as newer customers. The Company operates from Kolkata, West Bengal and our success lies in the strength of our relationship with the clients who have been associated with our Company. Our effective team both at the fore-front as well as in the back-end ensures the delivery and benefits of the best standards set by the company which ultimately reaches the customers with a satisfaction. This approach not only ensures retention but also assist us in getting newer set of clientele which goes to add to the revenue and credentials of our Company.

## UTILITIES & INFRASTRUCTURE FACILITIES

Our Registered and corporate office is well equipped with all the requisite facilities to run our logistic & infrastructure business smoothly.


## EXISTING CAPACITY AND CAPACITY UTILISATION

Our capacity depends on our workforce and not in any fixed output from plant & machinery and hence capacity and capacity utilisation cannot be determined.

## INTELLECTUAL PROPERTY DETAILS

We regard our intellectual property as one of the most important factors in contributing to our success, and our intellectual property rights include trademarks associated with our businesses and other rights arising from confidentiality agreements relating to our database and website content and technology.

Our Company conducts its operations under the “DESTINY” brand name and using a logo as mentioned in below table. Our Company’s logo is not registered and we are in the process of registering it under the Trade Mark Act.

Sr. No.	Logo	Class	Trademark Type	Owner of Trademark	Application No.	Date of application	Status
1.							Under process for the application for registration of Trademark Logo

## PROPERTY DETAILS

**Owned Property:** NIL

**Rented Property:**

1. **Our Registered office** is located at 375, Dakshindari Road, Kolkata-700048, West Bengal, India, which is jointly owned by our Promoter Mr. Jugal Kishore Bhagat and Mrs. Rekha Bhagat.
2. **Our Corporate office** is located at Unit No. 708, 7th Floor, ECO Centre, Block-EM-4, Sector-V, Salt Lake, Kolkata - 700091, West Bengal India.

## INSURANCE POLICIES:

As on date of this Draft Letter of Offer, our company has taken an insurance policy in its own name:

Policy No	Type of Policy	Policy Period	Nature of Coverage	Policy Issuing Office	Total Sum Assured
1016/249037785/00/000	ICICI Bharat Sookshma Udyam Suraksha Policy.	June 1, 2022 to May 31, 2023	Finished Stocks	ICICI Lombard General Insurance Company Ltd	Rs. 1,50,00,000/-



## OUR MANAGEMENT

### A) Board of Directors

As per the Articles of Association, our Company is required to have not less than 3 (Three) directors and not more than 15 (Fifteen) Directors. Our Company currently has 5 (five) directors on its Board. The present composition of our Board of Directors and its committees are in accordance with the corporate governance requirements provided under the Companies Act, 2013 and SEBI Listing Regulations. The detailed composition are as follows:

Sl. No.	Name of the Director	DIN	Designation
1	Rekha Bhagat	03564763	Managing Director
2	Mithilesh Kumar Jha	02229913	Executive Director
3	Jugal Kishore Bhagat	02218545	Non- Executive Director
4	Shir Sagar Pandey	07656863	Independent Director
5	Sweta Chaurasia	09271786	Independent Director

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

Sl. No.	Particulars	Details
1	Name of the Director	<b>Mrs. Rekha Bhagat</b>
	Father's Name	Mr. Prahlad Prasad Raut
	Residential Address	139, Trimurti Apartment, Dakshindari Road, Sreebhumi, Kolkata-700048, West Bengal.
	Date of Birth	08/01/1984
	Age	38 Years
	Designation	Managing Director
	DIN	03564763
	Occupation	Business
	Date of expiration of current term	27/07/2026
	Nationality	Indian
	Qualification	Bachelor of Arts from North Bengal University
	No. of Years of Experience	11 Years
	Date of Appointment	28/07/2011
	Period of Directorship	For 5 Years from 28/07/2021 to 27/07/2026
Directorship in other companies	1. Unique Floriculture Projects Limited 2. Dynamic Services & Security Limited 3. Ashvika Fashions Private Limited 4. Mehai Technology Limited 5. Satya Sai Management Services Private Limited	

Sl. No.	Particulars	Details
2	Name of the Director	<b>Mithilesh Kumar Jha</b>
	Father's Name	Mr. Jai Krishna Jha
	Residential Address	305/36A, Roy Bahadur Road, Kolkata-700053, West Bengal.
	Date of Birth	03/08/1969
	Age	53 Years
	Designation	Executive Director
	DIN	02229913
	Occupation	Business
	Date of expiration of current term	Liable to retire by rotation
	Nationality	Indian
	Qualification	Higher Secondary
	No. of Years of Experience	10 years
	Date of Appointment	28/07/2011
	Period of Directorship	Liable to retire by rotation
Directorship in other companies	1. Bluegate Engineering Private Limited	

Sl. No.	Particulars	Details
3	Name of the Director	<b>Mr. Jugal Kishore Bhagat</b>
	Father's Name	Mr. Hari Narayan Bhagat
	Residential Address	139, Trimurti Apartment, Dakshindari Road, Sreebhumi, Kolkata-700048, West Bengal.
	Date of Birth	15/07/1976
	Age	46 Years
	Designation	Non- Executive Director
	DIN	02218545
	Occupation	Business
	Date of expiration of current term	Liable to retire by rotation
	Nationality	Indian
	Qualification	Bachelor of Commerce from Calcutta University
	No. of Years of Experience	25 Years
	Date of Appointment	28/07/2011
Period of Directorship	Liable to retire by rotation	
Directorship in other companies	1. Unique Floriculture Projects Limited 2. Dynamic Services & Security Limited 3. Mehai Technology Limited	

Sl. No.	Particulars	Details
4	Name of the Director	<b>Mr. Shir Sagar Pandey</b>
	Father's Name	Mr. Daya Shankar Pandey
	Residential Address	Door No- 2, Ground Floor, 3/A Mukherjee Lane, Ganguly Street, Bally, Belur Math, Howrah -711202, West Bengal.
	Date of Birth	13/10/1992
	Age	29 Years
	Designation	Independent Director
	DIN	07656863
	Occupation	Business
	Date of expiration of current term	18.08.2026
	Nationality	Indian
	Qualification	B. Com (H)
	No. of Years of Experience	5 Years
	Date of Appointment	19.08.2021
Period of Directorship	5 Years	
Directorship in other companies	1. Rathe Knowledge Stipendium Advisory Private Limited 2. Sabita Research & Technical Development Private Limited 3. Satyacare Solutions Limited 4. Taxamicus Limited	

Sl. No.	Particulars	Details
5	Name of the Director	<b>Ms. Sweta Chaurasia</b>
	Father's Name	Mr. Bijoy Prasad Chaurasia
	Residential Address	27/11, N S Road, Bally (M), Howrah, Liluah,-711204, West Bengal.
	Date of Birth	26/02/1993
	Age	29 Years
	Designation	Independent Director
	DIN	09271786
	Occupation	Business
	Date of expiration of current term	18.08.2026
	Nationality	Indian
	Qualification	B. Com, M. Com
	No. of Years of Experience	5 years
	Date of Appointment	19.08.2021
	Period of Directorship	5 years
	Directorship in other companies	1. Satyacare Solutions Limited

## Brief Biographies of the Directors

1. **Mrs. Rekha Bhagat**, aged about 38 years is having an experience of 12 years of Experience in the business of Supplying of Goods & Services to Indian Railways and other Private organisations and also having the experience of carrying on business of Wholesale & Retail dealers of clothing. In the year 2010, Mrs. Bhagat, started her own business as proprietor of Proprietorship firm named as Dynamic Enterprise, and subsequently, she has started another business as proprietor of Proprietorship firms named as Dynamic Food Supplier and Dynamic Construction. Being a Managing Director Mrs. Bhagat plays the key role in the overall management of the business affairs of the Company.
2. **Mr. Mithilesh Kumar Jha**, aged 53 Years, is an Executive Director of the company since incorporation. He is also one of the shareholders of the Company. His main job responsibility is to ensure the efficient performance of all departments in the organization. He acts as a connecting link between the senior management and the employees. He provides motivation to the work force and make them realize the goals of the organization. He looks after the company's daily routine and ensures efficiency.
3. **Mr. Jugal Kishore Bhagat**, aged 46 years, is the Founder Promoter of the company. He has completed his Graduation in Commerce in the year 1996. He started his career after completing his graduation in a logistics company for 3 years dealing in transportation and clearing of goods. In 1999, he decided to start his own business as a Vendor for transporting and supply of goods. He also started supplying of Foods and commodities to Indian Navy and Indian Army. Gradually he also started supplying manpower to Indian Navy and Indian Army. He has been the director of the company since its inception, with over 25 years of experience in the field of transportation, logistic, man-power supply and infrastructure business. Having a wide experience in the field of business of our company, his primary role is to ensure that the board is effective in its task of setting and implementing the company's direction and strategy. Being a Non-Executive Director, he plays a key role in providing guidance, direction for the growth of the Company.
4. **Mr. Shir Sagar Pandey**, aged 29 years, is an Independent Director of the company. He has been appointed at the meeting of Board of Directors of the company held on 19<sup>th</sup> August 2021. He possesses the degree of Bachelor of Commerce with Honors and have experience of over 5 years in the field of business. He is also holding the position of an Independent Director on 4 other Companies.
5. **Ms. Sweta Chaurasia**, aged 29 years, is an Independent Director of the company. She has been appointed at the meeting of Board of Directors of the company held on 19<sup>th</sup> August 2021. She is holding a Master's Degree in Commerce and have experience of 5 years in the field of business.

## Family Relationships between the Directors

None of the directors of our Company have family relationship except for the ones mentioned below:

Sr. No.	Name of the Director	Related to	Relationship
1	Mr. Jugal Kishore Bhagat	Mrs. Rekha Bhagat	Spouse

## Past Directorships in listed companies:-

- a) **Details of current and past directorship(s) for a period of five years in listed companies for each Director mentioned above, whose shares have been/were suspended from being traded on any of the stock exchanges, during his/her tenure:**  
None of our Directors are, or were a director of any listed company other than the issuer 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 five years preceding the date of this Draft Letter of Offer.
- b) **Details of current and past directorship(s) in listed companies for each Director mentioned above, who have been/were delisted from the stock exchange(s) during his/her tenure in the past five years:**  
None of our Directors are or were a director of any listed company other than the issuer company, which has been, or was delisted from any stock exchange during the term of their directorship in such company during the last five years preceding the date of this Draft Letter of Offer.

## Arrangements with major Shareholders, Customers, Suppliers or Others

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a Director or member of a senior management as on the date of this Draft Letter of Offer.

**Service Contracts**

Our Company has not executed any service contracts with its directors providing for benefits upon termination of their employment.

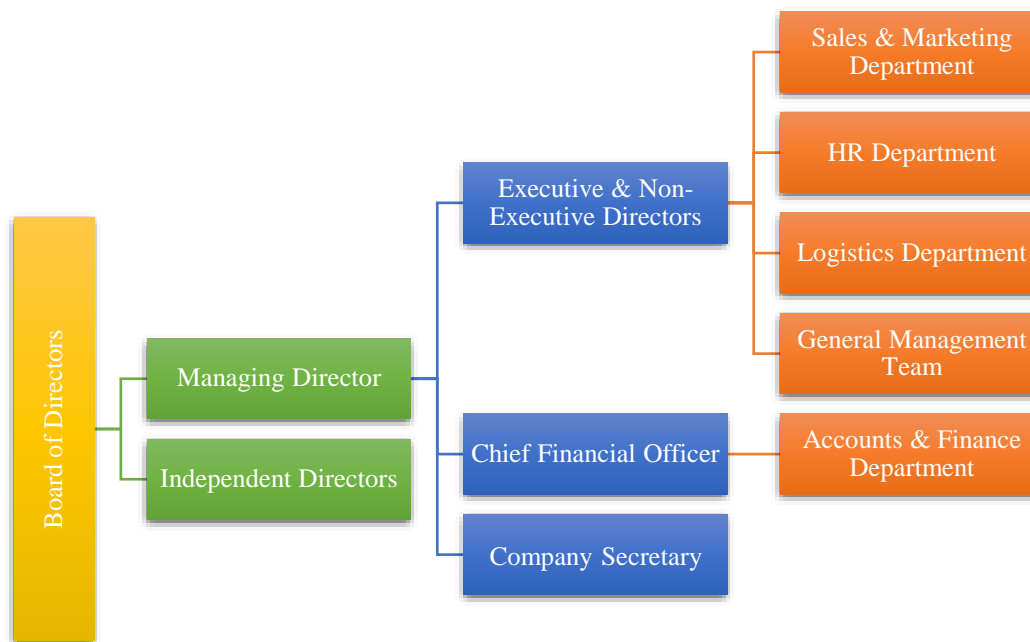
**Director's association with the Securities Market**

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

**Other Confirmations:**

- None of our Directors are on the RBI List of wilful defaulters as on the date of this Draft Letter of Offer.
- None of our Promoters or Directors of our Company are a fugitive economic offender.
- None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- None of the Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

## B) Management Organizational Structure



## C) Corporate Governance

The provisions of the Listing Regulations with respect to corporate governance will also be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchange. We are in compliance with the requirements of the applicable regulations, including the SEBI (LODR) Regulations, the SEBI (ICDR) Regulations and the Companies Act, 2013 in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act and SEBI (LODR) Regulations, to the extent applicable. Our Board functions either as a full board or through various committees constituted to oversee specific functions. In compliance with the requirements of the Companies Act and the SEBI (LODR) Regulations, to the extent applicable our Board of Directors consists of 5 (Five) Directors (including one-woman Director) of which One is Managing Director, One is Executive Director, One Non-Executive Director and two Independent Directors which is in compliance with the requirements of Companies Act, 2013 and SEBI (LODR) Regulations.

### COMMITTEES OF OUR BOARD

Our Board has constituted the following committees including those for compliance with corporate governance requirements:

#### ○ Audit Committee

*As per section 177 of the Companies Act, 2013, the Board of Directors of every listed company and such other class or classes of companies, as may be prescribed, shall constitute an Audit Committee. The Audit Committee shall consist of a minimum of three directors with independent directors forming a majority: Provided that majority of members of Audit Committee including its Chairperson shall be persons with ability to read and understand, the financial statement.*

Our Audit Committee was constituted pursuant to a resolution of our Board Meeting dated August 30, 2021. The Audit Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Ms. Sweta Chaurasia	Chairman	Independent Director
Mr. Shir Sagar Pandey	Member	Independent Director
Mr. Jugal Kishore Bhagat	Member	Non-Executive Director

The Company Secretary of the Company shall act as the Secretary of the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations.

- A. **Powers of Audit Committee:** The Audit Committee shall have powers, including the following:
- To investigate any activity within its terms of reference;
  - To seek information from any employee;
  - To obtain outside legal or other professional advice; and
  - To secure attendance of outsiders with relevant expertise, if it considers necessary.
- B. **Role of Audit Committee:** The role of the Audit Committee shall include the following:
- oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
  - recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
  - approval of payment to statutory auditors for any other services rendered by the statutory auditors;
  - reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
    - changes, if any, in accounting policies and practices and reasons for the same;
    - major accounting entries involving estimates based on the exercise of judgment by management;
    - significant adjustments made in the financial statements arising out of audit findings;
    - compliance with listing and other legal requirements relating to financial statements;
    - disclosure of any related party transactions;
    - modified opinion(s) in the draft audit report;
  - reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  - reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
  - reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  - approval or any subsequent modification of transactions of the listed entity with related parties;
  - scrutiny of inter-corporate loans and investments;
  - valuation of undertakings or assets of the listed entity, wherever it is necessary;
  - evaluation of internal financial controls and risk management systems;
  - reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - discussion with internal auditors of any significant findings and follow up there on;
  - reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  - discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - to review the functioning of the whistle blower mechanism;
  - approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
  - reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.]
  - consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
  - monitoring the end use of funds raised through public offers and related matters.
  - carrying out any other function as is mentioned in the terms of reference of the audit committee.

Further, the Audit Committee shall mandatorily review the following information:

- management discussion and analysis of financial condition and results of operations;
- statement of significant related party transactions (as defined by the audit committee), submitted by management;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

- statement of deviations: (a) half yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); (b) annual statement of funds utilized for purposes other than those stated in the prospectus/notice in terms of Regulation 32(5).

As required under Regulation 18 of the SEBI (LODR) Regulations, the Audit Committee shall meet at least four times in a year, and not more than one hundred and twenty days shall elapse between two meetings. The quorum of the meeting shall be either two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent directors present.

○ **Stakeholders' Relationship Committee**

*As per section 178 (5) of the Companies Act, 2013, The Board of Directors of a Company which consists of more than one thousand shareholders, debenture-holders, deposit-holders and any other security holders at any time during a financial year shall constitute a Stakeholders Relationship Committee consisting of a chairperson who shall be a non-executive director and such other members as may be decided by the Board*

Our Stakeholders' Relationship Committee was constituted pursuant to a resolution of our Board Meeting dated August 30, 2021. The Stakeholders' Relationship Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Ms. Sweta Chaurasia	Chairman	Independent Director
Mr. Shir Sagar Pandey	Member	Independent Director
Mrs. Rekha Bhagat	Member	Managing Director

The Company Secretary of the Company shall act as the Secretary of the Stakeholders' Relationship Committee.

***Role of the Stakeholders Relationship Committee***

- Resolving the grievances of the security holders of the listed entity 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;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
- To carry out any other function as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time."

As required under Regulation 20 of the SEBI (LODR) Regulations, the Stakeholders' Relationship Committee shall meet at least once in a year.

○ **Nomination and Remuneration Committee**

*As per section 178 (1) of the Companies Act, 2013, The Board of Directors of every listed company and such other class or classes of companies, as may be prescribed shall constitute the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors: Provided that the chairperson of the company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.*

Our Nomination and Remuneration Committee was constituted pursuant to a resolution of our Board Meeting dated August 30, 2021. The Nomination and Remuneration Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Ms. Sweta Chaurasia	Chairman	Non-Executive Independent Director
Mr. Shir Sagar Pandey	Member	Non-Executive Independent Director
Mr. Jugal Kishore Bhagat	Member	Non-Executive Director

The Company Secretary of the Company shall act as the Secretary of the Nomination and Remuneration Committee.

***Role of the Nomination and Remuneration Committee***

The scope, functions and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Set forth below are the role of our Nomination and Remuneration Committee.

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- The Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance].
- The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

As required under Regulation 19 of the SEBI (LODR) Regulations, the Nomination and Remuneration Committee shall meet at least once in a year. The quorum for a meeting shall be either two members present, or one-third of the members of the, whichever is greater, provided that there should be a minimum of one independent directors present.

○ **Corporate Social Responsibility Committee:**

*As per section 135(1) of the Companies Act, 2013, Every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.*

The Corporate Social Responsibility committee is not applicable to our company till the date of this Draft Letter of Offer. We will comply with the requirement as and when the CSR is applicable to us.

**Our Key Managerial Personnel**

The details of the Key Managerial Personnel as on the date of this Draft Letter of Offer are set out below. All the Key Managerial Personnel's are permanent employees of our Company. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel.

1. **Mr. Rekha Bhagat**, Managing Director, for details please refer section titled **"Our Management"** beginning at page no **54** of this Draft Letter of Offer.
2. **Mr. Prasenjit Biswas**, aged 31 Years, qualified as a Bachelor of Arts in 2012 from University of Kalyani. He has also done his Diploma in Financial Accounting System. He has an experience of more than 4 years in the field of account and finance. He has been appointed as Chief Financial Officer (CFO) of the Company with effect from August 19, 2021.
3. **Mr. Mustafa Rangwala**, aged 27 Years, qualified as a Company Secretary in 2019 form The Institute of Company Secretaries of India. He has graduated from the University of Calcutta with Honors degree in Commerce. He has been associated with our Company as Company Secretary and Compliance officer with effect from August 19, 2021. He has been appointed to handle all the secretarial and legal compliance for the Company.

**Status of Key Management Personnel in our Company**

All our key managerial personnel are permanent employees of our Company. The term of office of our key managerial personnel is until the attainment of 70 years of age.

**Shareholding of Key Management Personnel in our Company**

Mrs. Rekha Bhagat (Managing Director & Promoter of our company) is holding 11,94,727 number of Equity Shares in the Company. None of the other Key Management Personnel holds Equity Shares in our Company as on the date of this Draft Letter of Offer.

**Bonus or profit-sharing plan of the Key Managerial Personnel**

Our Company does not have a performance linked bonus or a profit-sharing plan for the Key Management Personnel. However, our Company pays incentive to all its employees based on their performance including the Key Managerial Personnel's of our Company.



**Interests of Key Management Personnel**

Except as mentioned above in this Draft Letter of Offer, the Key Management Personnel do not have any interest in our Company, other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

**Payment of Benefits to Officers of our Company (non-salary related)**

Except as disclosed in this Draft Letter of Offer and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

Except as stated under section titled "**Financial Information**" beginning on page no **65** of this Draft Letter of Offer, none of the beneficiaries of loans and advances or sundry debtors are related to our Company, our Directors or our Promoter.

**Relationship amongst the Key Managerial Personnel of our Company**

There is no family relationship amongst the Key Managerial Personnel of our Company.

**Relationship between the Directors and Key Managerial Personnel**

There are no family relationships between the Directors and Key Managerial Personnel of our Company other than mentioned elsewhere in the Draft Letter of Offer.

**Arrangement and Understanding with Major Shareholders/Customers/ Suppliers**

None of the above Key Managerial Personnel have been selected pursuant to any arrangement/understanding with major shareholders/customers/suppliers.

**Details of Service Contracts of the Key Managerial Personnel**

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

**Employee Stock Option or Employee Stock Purchase**

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Draft Letter of Offer.

**Loans availed by Directors / Key Managerial Personnel of our Company**


None of the Directors or Key Managerial Personnel have availed loan from our Company which is outstanding as on the date of this Draft Letter of Offer.

## OUR PROMOTERS

### 1. Our Promoters:

Our Promoters are (i) Mr. Jugal Kishore Bhagat and (ii) Mrs. Rekha Bhagat. As on the date of this Draft Letter of Offer, our Promoters jointly hold 49,86,000 Equity Shares which in aggregate, almost constitutes 64.80% of the paid-up Equity Share capital of our Company.

#### (i) Details of Individual Promoters of our Company

	<p>Mr. Jugal Kishore Bhagat, aged 46 years, is the Founder Promoter of the company. He possesses degree in Bachelor of Commerce. He has been the director of the company since its inception, with over 25 years of experience in the field of transportation, logistic, man-power supply and infrastructure business. Having a wide experience in the field of business of our company, his primary role is to ensure that the board is effective in its task of setting and implementing the company's direction and strategy. Being a Non-Executive Director, he plays a key role in providing guidance and direction for the growth of the Company.</p> <p>For further personal details, please also refer to section titled <b>“Our Management”</b> beginning on page <b>54</b> of this Draft Letter of Offer.</p>
<b>Name of Promoter</b>	Mr. Jugal Kishore Bhagat
<b>Father's Name</b>	Mr. Hari Narayan Bhagat
<b>Date of Birth</b>	15/07/1976
<b>Qualification</b>	Graduate of Commerce
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Address</b>	139, Trimurti Apartment, Dakshindari Road, Sreebhumi, Kolkata-700048, West Bengal.
<b>Permanent Account No.</b>	AIKPB8527H

	<p>Mrs. Rekha Bhagat aged about 38 years is having an experience of 12 years of Experience in carrying on the business of Supplying of Goods &amp; Services to Indian Railways and other Private organisations and also having the experience of carrying on business of Wholesale &amp; Retail dealers of clothing. In the year 2010, Mrs. Bhagat, started her own business as proprietor of Proprietorship firm named as Dynamic Enterprise, and subsequently, she has started another business as proprietor of Proprietorship firms named as Dynamic Food Supplier and Dynamic Construction. Being a Managing Director Mrs. Bhagat plays the key role in the overall management of the affairs of the Company.</p> <p>For further personal details, please also refer to section titled <b>“Our Management”</b> beginning on page <b>54</b> of this Draft Letter of Offer.</p>
<b>Name of Promoter</b>	Mrs. Rekha Bhagat
<b>Father's Name</b>	Mr. Prahlad Prasad Raut
<b>Date of Birth</b>	08/01/1984
<b>Qualification</b>	Bachelor of Arts from North Bengal University
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Address</b>	139, Trimurti Apartment, Dakshindari Road, Sreebhumi, Kolkata-700048, West Bengal.
<b>Permanent Account No.</b>	ARLPB2048R

#### (ii) Details of Body Corporate Promoters of our Company:

We don't have any Body Corporate Promoters.

## DIVIDEND POLICY

Our Company does not have any formal dividend policy for the equity shares. Our Company can pay Final dividends upon a recommendation by Board of Directors and approval by majority of the members at the Annual General Meeting subject to the provisions of the Articles of Association and the Companies Act, 2013. The Members of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The Articles of Association of our Company also gives the discretion to Board of Directors to declare and pay interim dividends.

The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013. The declaration and payment of dividend will depend on a number of factors, including but not limited to the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions, contractual obligations and restrictions, restrictive covenants under the loan and other financing arrangements to finance the various projects of our Company and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares for the period covered in Restatement of Accounts as per our Restated Financial Statements.

## SECTION VII: FINANCIAL INFORMATION

### RESTATED FINANCIAL STATEMENTS

To,  
**The Board of Director**  
**Destiny Logistic & Infra Limited**  
**(Formerly known as Destiny Logistic Limited)**  
375, Dakshindari Road, Kolkata - 700048,  
West Bengal, India

#### **Auditors' Report on Restated Financial Information in connection with the Right Issue of Destiny Logistics & Infra Limited.**

Dear Sir,

1. We have examined the attached restated standalone financial Information of **Destiny Logistics & Infra Limited** (Formerly known as Destiny Logistic Limited) (hereinafter referred to as “**the Company**”, “**Issuer**”), comprising the Restated Statement of Assets and Liabilities as at and for the financial year ended on March 31, 2022, March 31, 2021, and March 31, 2020, Restated Summary Statement of Profit and Loss, Restated Summary Statement of Cash Flows as at and for the financial year ended on March 31, 2022, March 31, 2021, and March 31, 2020 and the summary statement of Significant Accounting Policies, Notes and other explanatory information (collectively referred to as the “**Restated Financial Information**”). These Restated financial statements have been prepared by the management and approved by the Board of Directors for the purpose of inclusion in the offer Documents, in connection with the proposed Rights Issue.
2. These special purpose Restated Financial Information have been prepared in accordance with the requirements of:
  - i. sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (“the Act”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (“**SEBI ICDR Regulations 2018**”) and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India (“**SEBI**”).
  - iii. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“**ICAI**”), as amended from time to time (“**Guidance Note**”).
3. Management is responsible for the preparation of the restated financial information for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, Stock Exchange and Registrar of Companies in connection with the proposed Rights Issue. The restated financial information has been prepared by the management on the basis of preparation stated in annexure IV to the restated financial information. Management’s responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the restated financial information. Management is also responsible for identifying and ensuring that the company complies with the act, ICDR regulations and the Guidance note.
4. We have examined such restated Financial Information taking into consideration:
  - i. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter, in connection with the proposed Right Issue of equity shares of company; and
  - ii. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
  - iii. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - iv. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliances with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed Right Issue.

5. This special purpose Restated Financial Information has been compiled by the management from the Audited Financial Statements of the company for the financial years ended on March 31, 2022, March 31, 2021, and March 31, 2020, which has been approved by the Board of Directors.
6. For the purpose of our examination, we have relied on Auditors' Report and Financial Statements of the company as at and for the financial year ended March 31, 2022, March 31, 2021 and March 31, 2020. The audit for financial year ended March 31, 2022 has been conducted by us and the audit for the financial year ended March 31, 2021 and 2020 has been conducted by **M/s. Kumar Royburman Prasanta & Associates**, Chartered Accountant, previous statutory auditor of the company. The financial report included for these periods is based solely on the report submitted and no routine audit has been carried out by us for the year ended March 31, 2021 and March 31, 2020.
7. Based on our examination and according to the information and explanations given to us, we report that:
  - a. The **"Restated Statement of Asset and Liabilities"** of the company as at March 31, 2022, March 31, 2021 and March 31, 2020 examined by us, as set out in **Annexure I** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
  - b. The **"Restated Statement of Profit and Loss"** of the company for the financial year ended March 31, 2022, March 31, 2021 and March 31, 2020 examined by us, as set out in **Annexure II** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
  - c. The **"Restated Statement of Cash Flows"** of the and company for the financial year ended March 31, 2022, March 31, 2021 and March 31, 2020 examined by us, as set out in **Annexure III** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.
  - d. The Restated Standalone Summary Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
  - e. The Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any
  - f. The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate, if any and there are no qualifications which require adjustments.
  - g. Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required.
  - h. There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial year ended on March 31, 2022, March 31, 2021 and March 31, 2020 which would require adjustments in this Restated Financial Statements of the Company;
  - i. Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in **Annexure IV** to this report;
  - j. There was no change in significant accounting policies, which needs to be adjusted in the Restated Summary Statements.
  - k. There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
8. We have also examined the following other financial information relating to the company prepared by the Management and as approved by the board of directors and annexed to this report relating to the company for the financial year ended on March 31, 2022, March 31, 2021 and March 31, 2020 proposed to be included in the Offer Document of company.

<b>Annexure No.</b>	<b>Particulars</b>
<b>I</b>	<b>Restated Statement of Assets &amp; Liabilities</b>
I.1	Restated Statement of Share Capital
I.2	Restated Statement of Reserves & Surpluses
I.3	Restated Statement of Long-Term Borrowings
I.4	Restated Statement of Deferred Tax Liabilities/Assets
I.5	Restated Statement of Short-Term Borrowings
I.6	Restated Statement of Trade Payable
I.7	Restated Statement of Other Current Liabilities
I.8	Restated Statement of Short-Term Provisions
I.9	Restated Statement of Fixed Assets & Depreciations
I.10	Restated Statement of Non-Current Investment
I.11	Restated Statement of Long-Term Loans and Advances
I.12	Restated Statement of Other Non-Current Assets
I.13	Restated Statement of Inventories
I.14	Restated Statement of Trade Receivable
I.15	Restated Statement of Cash & Cash Equivalent
I.16	Restated Statement of Short-Term Loans and Advances
I.17	Restated Statement of Other Current Assets
<b>II</b>	<b>Restated Statement of Profit &amp; Loss</b>
II.1	Restated Statement of Revenue from operations
II.2	Restated Statement of Other Income
II.3	Restated Statement of Cost of Material Consumed
II.4	Restated Statement of Changes in Inventories
II.5	Restated Statement of Employees Benefit Expenses
II.6	Restated Statement of Other Expenses
II.7	Restated Statement of Financial Charges
II.8	Restated Statement of Provision for Taxation
Other Annexures:	
III	Cash Flow Statement
IV	Statement of Significant Accounting Policies
V	Notes to the Re-stated Financial Statements
VI	Statement of Accounting & Other Ratios, As Restated
VII	Statement of Capitalization, As Restated
VIII	Statement of Tax Shelter, As Restated
IX	Statement of Related Party Transactions
X	Statement of Dividends
XI	Changes in the Significant Accounting Policies
XII	Contingent Liabilities


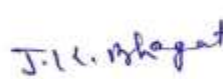

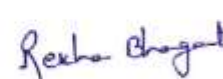
9. We, **Bijan Ghosh & Associates**, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “**Peer Review Board**” of the ICAI.
10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose audited financial statements mentioned in paragraph 6 above.
11. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of chartered accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the proposed Right Issue of company. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**For, Bijan Ghosh & Associates**  
**Firm Reg. No: 323214E**  
**Chartered Accountants**

S/d-



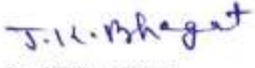

**(CA Bijan Ghosh)**  
**Proprietor**  
**Membership No: 009491**  
**Place: Kolkata**  
**Date: 04<sup>th</sup> July, 2022**  
**UDIN No: 22009491AMFFPO9159**

<b>Destiny Logistics &amp; Infra Limited</b>				
<b>ANNEXURE - I</b>				
<b>STATEMENT OF ASSETS &amp; LIABILITIES, AS RESTATED</b>				
Particulars	Note No.	As on		
		31-03-2022	31-03-2021	43,921.00
<b>Equity &amp; Liabilities</b>				
<b>1. Shareholders Fund</b>				
a) Share capital	1.1	7,69,40,000	50,00,000	50,00,000
b) Reserves and surplus	1.2	8,99,31,798	50,14,950	19,84,937
<b>Total Shareholder's Fund</b>		<b>16,68,71,798</b>	<b>1,00,14,950</b>	<b>69,84,937</b>
<b>2. Non Current Liabilities</b>				
a) Long Term Borrowings	1.3	20,92,087	26,63,455	-
b) Deferred Tax Liability	1.4	-	-	-
<b>Total Non Current Liabilities</b>		<b>20,92,087</b>	<b>26,63,455</b>	<b>-</b>
<b>3. Current Liabilities</b>				
a) Short Term Borrowings	1.5	1,78,48,768	3,48,34,888	90,49,901
b) Trade Payables	1.6	4,70,04,568	37,98,500	11,20,350
c) Other Current Liabilities	1.7	2,88,82,688	1,29,45,927	1,16,560
d) Short Term Provisions	1.8	51,13,268	18,19,393	7,38,963
<b>Total Current Liabilities</b>		<b>9,88,49,292</b>	<b>5,33,98,708</b>	<b>1,10,25,774</b>
<b>Total Equity &amp; Liability</b>		<b>26,78,13,177</b>	<b>6,60,77,112</b>	<b>1,80,10,711</b>
<b>4. Non-Current Assets</b>				
a) Fixed Assets				
- Tangible Assets		50,528	1,10,800	-
- Intangible Assets	1.9	-	-	-
- Work-In-Progress		-	-	-
<b>Total Fixed Assets</b>				
b) Non - current Investments	1.10	5,21,00,000	-	-
c) Deferred Tax Assets (Net)	1.4	15,798	15,305	-
d) Long Term Loans and Advances	1.11	-	-	-
e) Other Non- current Assets	1.12	-	-	-
<b>Total Non Current Assets</b>		<b>5,21,66,326</b>	<b>1,26,105</b>	<b>-</b>
<b>5. Current assets</b>				
a) Inventories	1.13	51,22,366	42,29,303	-
b) Trade Receivables	1.14	17,55,60,988	3,58,36,185	1,65,04,570
c) Cash and Cash Equivalents balances	1.15	43,10,034	1,37,416	43,632
d) Short Term Loans and advances	1.16	2,37,44,371	2,46,13,645	10,00,000
e) Other Current Assets	1.17	69,09,092	11,34,458	4,62,508
<b>Total Current Assets</b>		<b>21,56,46,851</b>	<b>6,59,51,007</b>	<b>1,80,10,711</b>
<b>Total Assets</b>		<b>26,78,13,177</b>	<b>6,60,77,112</b>	<b>1,80,10,711</b>
<p>Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV &amp; V respectively.</p>				
<p>For, Bijan Ghosh &amp; Associates Chartered Accountants Firm Reg. No: - 323214E</p>		<p>For and Behalf of Board Destiny Logistics &amp; Infra Limited</p>		
<p> (CA Bijan Ghosh) Proprietor Membership No: 009491 Place: Kolkata Date: 4th July, 2022</p>		<p> Jugal Kishore Bhagat (Director) DIN No: - 02218545</p>		
<p></p>		<p> Rekha Bhagat (Managing Director) DIN No: - 03564763</p>		



<b>Destiny Logistics &amp; Infra Limited</b>				
<b>ANNEXURE - II</b>				
<b>STATEMENT OF PROFIT &amp; LOSS, AS RESTATED</b>				
Particulars	Note No.	For the Year ended on		
		31-03-2022	31-03-2021	31-03-2020
<b>Income</b>				
Revenue from Operations	II.1	34,69,95,427	10,05,78,758	6,74,96,520
Other Income	II.2	5,35,041	-	-
<b>Total Revenue</b>		<b>34,75,30,468</b>	<b>10,05,78,758</b>	<b>6,74,96,520</b>
<b>Expenditure</b>				
Cost of Material Consumed	II.3	28,72,18,665	9,72,86,966	6,47,89,910
Change in Inventories	II.4	(8,93,063)	(42,29,303)	-
Employee Benefit Expenses	II.5	3,63,38,799	10,80,248	5,13,500
Other Expenses	II.6	61,79,404	8,47,103	4,87,166
<b>Total Expenses</b>		<b>32,88,43,805</b>	<b>9,49,85,013</b>	<b>6,57,90,576</b>
<b>Profit Before Interest, Depreciation and Tax</b>		<b>1,86,86,663</b>	<b>55,93,745</b>	<b>17,05,944</b>
Depreciation & Amortisation Expenses	1.9	60,272	1,54,400	-
<b>Profit Before Interest and Tax</b>		<b>1,86,26,391</b>	<b>54,39,345</b>	<b>17,05,944</b>
Financial Charges	II.7	10,90,116	13,44,207	10,14,294
<b>Profit before Taxation</b>		<b>1,75,36,275</b>	<b>40,95,138</b>	<b>6,91,650</b>
Provision for Taxation	II.8	45,59,920	10,80,430	1,80,220
Provision for Deferred Tax		(493)	(15,305)	-
<b>Total</b>		<b>45,59,427</b>	<b>10,65,125</b>	<b>1,80,220</b>
<b>Profit After Tax but Before Extra ordinary Items</b>		<b>1,29,76,848</b>	<b>30,30,013</b>	<b>5,11,430</b>
Extraordinary Items		-	-	-
Profit Attributable to Minority Shareholders		-	-	-
<b>Net Profit after adjustments</b>		<b>1,29,76,848</b>	<b>30,30,013</b>	<b>5,11,430</b>
<b>Net Profit Transferred to Balance Sheet</b>		<b>1,29,76,848</b>	<b>30,30,013</b>	<b>5,11,430</b>

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

<p>For, Bijan Ghosh &amp; Associates Chartered Accountants Firm Reg. No: - 023214E</p> <div style="text-align: center;">    </div> <p>(CA Bijan Ghosh) Proprietor Membership No: 009491 Place: Kolkata Date: 4th July, 2022</p>	<p>For and Behalf of Board Destiny Logistics &amp; Infra Limited</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">   <b>Jugal Kishore Bhagat</b> (Director) DIN No: - 02218545         </div> <div style="text-align: center;">   <b>Rekha Bhagat</b> (Managing Director) DIN No: - 03564763         </div> </div>
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**Destiny Logistics & Infra Limited**  
**ANNEXURE - III**  
**STATEMENT OF CASH FLOW, AS RESTATED**

PARTICULARS	For the Year ended on		
	31-03-2022	31-03-2021	31-03-2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net profit/(loss) Transferred to Reserve and Surplus Account	1,75,36,275	40,95,138	6,91,650
Adjustment for :			
Increase in Security premium	7,19,40,000	-	-
Provision for Tax	-	-	-
Provision for Deferred Tax	-	-	-
Depreciation & Amortisation expenses	60,272	1,54,400	-
Interest & Finance expenses	10,90,116	13,44,207	10,14,294
Interest received on Fd	(5,35,041)	-	-
<b>Operating profit before working capital changes</b>			
Adjusted for :			
a. Decrease /(Increase) in Inventories	(8,93,063)	(42,29,303)	-
b. Decrease / ( Increase ) in trade receivable	(13,97,24,803)	(1,93,31,615)	9,97,645
b. Decrease / ( Increase ) in Current Investments	-	-	-
c. ( Increase ) / Decrease in short term loans and advances	8,69,274	(2,36,13,645)	(10,00,000)
d. Increase / ( Decrease ) in Trade Payables	4,32,06,068	26,78,150	(7,38,301)
e. Increase / (Decrease) in short term provisions	32,93,875	10,80,430	1,80,220
f. Increase / ( Decrease ) in other current liabilities	1,59,36,761	1,28,29,367	1,06,060
g. ( Increase ) / Decrease in Other Current Assets	(57,74,634)	(6,71,949)	(90,335)
<b>Cash generated from operations</b>			
Net Income Tax (Paid)/Refund	(45,59,427)	(10,65,125)	(1,80,220)
<b>Net Cash Generated/(Used) From Operating Activities (A)</b>	<b>24,45,673</b>	<b>(2,67,29,946)</b>	<b>9,81,013</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITES</b>			
a. (Purchase) Sale of Fixed Assets	60,272	(1,10,800)	-
b.( Purchase) / Sale of non-current investment	(5,21,00,000)	-	-
c. ( Increase ) / Decrease in Long term loans and advances	-	-	-
d. Increase / ( Decrease ) in Long Term Provisions	-	-	-
e. ( Increase ) / Decrease in Other Non Current Assets	(493)	(15,305)	-
f. (Increase) in Misc. Expenses	(60,272)	(1,54,400)	-
g. Interest & Other Income	5,35,041	-	-
<b>Net Cash Generated/(Used) From Investing Activities (B)</b>	<b>(5,15,65,452)</b>	<b>(2,80,505)</b>	<b>-</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITES</b>			
a. Interest & Finance Cost	(10,90,116)	(13,44,207)	(10,14,294)
b. Proceeds from share issued including Premium	7,19,40,000	-	-
c. ( Repayments ) / proceeds of long term borrowings	(5,71,368)	26,63,455	-
d. ( Repayments ) / proceeds of short term borrowings	(1,69,86,120)	2,57,84,987	(31,654)
<b>Net Cash Generated/(Used) From Financing Activities (C)</b>	<b>5,32,92,396</b>	<b>2,71,04,235</b>	<b>(10,45,948)</b>
<b>Net Increase / ( Decrease ) in cash and cash equivalents</b>	<b>41,72,618</b>	<b>93,784</b>	<b>(64,935)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1,37,416</b>	<b>43,632</b>	<b>1,08,568</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>43,10,034</b>	<b>1,37,416</b>	<b>43,632</b>

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 'Cash Flow Statement'. Previous year's figures have been regrouped / rearranged / recasted wherever necessary to make them comparable with those of current year
- The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

## Annexure IV

**A. Background of the company:**

The Company was originally incorporated as “*Destiny Logistic Limited*” having its registered office at 375, Dakshindari Road, Kolkata – 700 048, West Bengal, India on July, 28, 2011 vide certificate of incorporation bearing registration no U63090WB2011PLC165520 under the provisions of Companies Act, 1956 issued by the Registrar of Companies, West Bengal. Subsequently name of the company changed to “Destiny Logistics & Infta Limited” vide fresh certificate of incorporarion dated September 07, 2021. The Company got listed on Emerge Platfrom of The Nariional Stock Exchange of India Limited w.e.f. October 13, 2021 and the CIN of the Company changed to L63090WB2011PLC165520.

Since incorporation, the company is into third party service provider for Logistics and Transportation business activity. Currently, our Company is additionally into Infrastructure business.

**B. Statement of Significant Accounting Policies**

**1.1 Basis of Preparation of Financial Statements:**

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with rule 7 of the companies (Accounts) rules 2015.

The financial statements are prepared on accrual basis under the historical cost convention, except for certain fixed Assets which are carried at revalued amounts. The financial statements are presented in Indian rupees.

**1.2 Use of Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

**1.3 Fixed Assets:**

Fixed Assets are stated at cost less depreciation. The cost of an asset comprises its purchase price and directly attributable expenses. Expenditure for addition and improvements are capitalized as and when incurred.

**1.4 Depreciation:**

Depreciation/Amortization charge is provided on fixed assets on written-down-value method as per rates prescribed in Companies act, 2013.

**1.5 Revenue Recognition:**

Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is reasonably certain, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably and stated net of Goods & Services Tax, Sales Tax, VAT, trade discounts and rebates. Interest income is recognized on time proportion basis, taking into account outstanding amount and the applicable interest rate. Dividend income is accounted when the company's right to receive dividend is established

**1.6 Taxes on Income:**

Provision for current tax is made in terms of provisions of the Income Tax Act, 1961. Deferred tax on account of timing difference between taxable and accounting income is provided considering the tax rates and tax laws enacted or substantively enacted by Balance sheet date, the deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future.

Minimum Alternate Tax credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

**1.7 Earnings per Share:**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per

share is calculated by dividing net profit attributable to equity Shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year.

**1.8 Provisions/Contingencies:**

A provision is recognized when there is a present obligation as a result of past event, and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined (as provided/charged to the Statement of Profit and Loss) based on estimate of the amount required to settle the obligation at the Balance Sheet date and are not discounted to present value. Contingent assets are neither recognized nor disclosed in the financial statements.

**1.9 Borrowing Cost:**

Borrowing Cost attributable to the acquisition or construction of a qualifying asset is capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

**1.10 Inventory:**

Inventories are valued at cost or net realizable value whichever is lower and on FIFO method.

**1.11 Foreign Currency Transactions:**

There is no foreign currency transaction in this company.

**1.12 Segment Information:**

Based on the principles for determination of segments given in Accounting Standard 17 “Segment Reporting” issued by accounting standard notified by Companies (Accounting Standard) Rules, 2008, the company is mainly engaged in the activity surrounded with main business of the Company hence there is no reportable segment.

**1.13 Impairment of Assets:**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which as the asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

The company found no indication that any asset may be impaired. Therefore, there was no need to determine impairment Loss. Other disclosure requirements as per mandatory Accounting Standard AS – 28 are not applicable in the case of the company.

**1.14 Prior Period Expenditure:**

The change in estimate due to error or omission in earlier period is treated as prior period items. The items in respect of which liability has arisen/crystallized in the current year, though pertaining to earlier year is not treated as prior period expenditure.

**1.15 Extra Ordinary Items:**

The income or expenses that arise from event or transactions which are clearly distinct from the ordinary activities of the Company and are not recurring in nature are treated as extra ordinary items. The extra ordinary items are disclosed in the statement of profit and loss as a part of net profit or loss for the period in a manner so as the impact of the same on current profit can be perceived.

**1.16 Impact of Covid19:**

On the basis of assessment of the impact of the outbreak of COVID-19 on business operations of the entity, the entity’s management may conclude that no adjustment is required in the financial statement as it does not impact the current financial year. However, the situation with COVID-19 is still evolving. Also, some of the various preventive measures taken are still in force, leading to highly uncertain economic environment. Due to these circumstances, the management’s assessment of the impact on the subsequent period is dependent upon the circumstances as they evolve.

**1.17 Employee Benefits:**

Contribution as per Employees Provident Fund Law towards Provident Fund are provided for and payments in respect thereof are made to the relevant authorities on actual basis and relevant employer’s contribution are recognized as expenditure and are charged to the profit & loss Account under the group head payments to and for the employees.

Provision for liabilities in respect to gratuity benefits are not made. However, it will be recognized as an expenses in the statement of Profit & Loss account on actual basis during the period in which the eligible employee leaves the services of the company and settlements of his due are made on actual calculation.

## Annexure –V

### Notes to the Re-stated Financial Statements:

**I. Non-adjustment Items:**

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

**II. Material Regroupings:**

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

**III. Material Adjustments in Restated Profit & Loss Account:**

Particulars	For the FY ended		
	31-03-2022	31-03-2021	31-03-2020
<b>Profit After Tax as per Books of Accounts</b>		<b>30,45,707</b>	<b>5,11,821</b>
Adjustment for provision of Depreciation	-	-	-
Adjustment for provision of Income Tax		(15,694)	(391)
Adjustment for provision of Deferred Tax	-	-	-
<b>Profit After Tax as per Restated</b>	<b>1,29,76,848</b>	<b>30,30,013</b>	<b>5,11,430</b>

**IV. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006**

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro and Small Enterprises.

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31st March, 2022 as Micro, Small or Medium enterprises. Consequently, the amount paid/payable to these parties could not be ascertainable.

There are no micro and small enterprises, as defined in the micro and small enterprises development act, 2006, to whom the company owes dues on account of principal amount together with the interest and accordingly no additional disclosures have been made. The above information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

**V.** Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.

**VI.** The balance of Sundry Creditors, Sundry Debtors, Loans Advances, Unsecured Loans, and Current Liabilities are subject to confirmation and reconciliation.

**VII.** As required under SEBI (ICDR) Regulations, the statement of assets and liabilities has been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived at after such deductions.

**VIII. Expenditure in Foreign Currency:** Nil

**IX. Earnings in Foreign Exchange:** Nil

**X. Leave Encashment [AS-15]**

Accounting Standard (AS) – 15 issued by ICAI is Mandatory. However, the company has not made provision for leave encashment benefit on retirement of employee as the quantum of liability is not ascertainable due to the availability of leave encashment benefit and availment of leave any time during the service period.

**XI. Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits**

Balances of Trade Receivables, Trade Payables, Borrowings and Loans & Advances and Deposits are subject to confirmation.

**XII. Re-grouping/re-classification of amounts**

The figures have been grouped and classified wherever they were necessary and have been rounded off to the nearest rupee.

**XIII. Examination of Books of Accounts & Contingent Liability**

The list of books of accounts maintained is based on information provided by the assessee and is not exhaustive. The information in audit report is based on our examination of books of accounts presented to us at the time of audit and as per the information and explanation provided by the assessed at the time of audit.

**XIV. Director Personal Expenses**

There are no direct personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

**XV. Deferred Tax Asset / Liability: [AS-22]**

The company has created Deferred Tax Asset / Liability as required by Accounting Standard (AS) - 22.

**Annexure – I.1**
**Restated Statement of Share Capital**

Particulars	31-03-2022	31-03-2021	31-03-2020
<b>Authorised Capital</b>			
1,00,00,000 Equity shares of ₹10/- each	10,00,00,000	50,00,000	50,00,000
<b>Issued, Subscribed &amp; Fully Paid-up</b>			
76,94,000 Equity shares of ₹10/- each	7,69,40,000	50,00,000	50,00,000

Note: The Company has only one class of equity shares of par value ₹10/- each. Each equity shareholder is entitled to one vote per share held, and on liquidation entitled to receive balance of net assets remaining after settlement of all debts, creditors & preferential amounts, proportionate to their respective shareholding.

**Reconciliation of No. of Shares Outstanding at the end of the year**
*(No. of Equity Shares)*

Particulars	31-03-2022	31-03-2021	31-03-2020
Shares outstanding at the beginning of the year	5,00,000	5,00,000	5,00,000
Shares issued during the year	71,94,000	-	-
Bonus Issued during the year	-	-	-
<b>Share outstanding at the end of the year</b>	<b>76,94,000</b>	<b>5,00,000</b>	<b>5,00,000</b>

**Details of Shareholding more than 5% of the aggregate shares in the company**

Particulars	31-03-2022	31-03-2021	31-03-2020
<b>Jugal Kishore Bhagat</b>			
No. of Shares	37,91,273	2,70,000	2,70,000
% Holding	49.28%	54.00%	54.00%
<b>Rekha Bhagat</b>			
No. of Shares	11,94,727	2,16,000	2,16,000
% Holding	15.53%	43.20%	43.20%

**Annexure – I.2**
**Restated Statement of Reserve & Surplus**

Particulars	31-03-2022	31-03-2021	31-03-2020
<b>Statement of Profit &amp; Loss</b>			
Opening balance	50,14,950	19,84,937	14,73,507
Add: Profit for the year	1,29,76,848	30,30,013	5,11,430
<b>Total</b>	<b>1,79,91,798</b>	<b>50,14,950</b>	<b>19,84,937</b>
Less: Utilised for Bonus Issue	-	-	-
<b>Balance as at the end of the year</b>	<b>1,79,91,798</b>	<b>50,14,950</b>	<b>19,84,937</b>
Security Premium Reserve	7,19,40,000	-	-
Revaluation Reserves	-	-	-
Other Reserves, If Any (Please Specify)	-	-	-
<b>Total Reserve &amp; Surplus</b>	<b>8,99,31,798</b>	<b>50,14,950</b>	<b>19,84,937</b>

**Annexure – I.3**
**Restated Statement of Long Term Borrowings**

Particulars	31-03-2022	31-03-2021	31-03-2020
<b>Secured Loans from Bank/FIs</b>			
Covid-19 Term Loan @ 20%	14,95,471	17,88,303	-
Covid-19 Term Loan @ 10%	5,96,616	8,75,152	-
<b>Total</b>	<b>20,92,087</b>	<b>26,63,455</b>	<b>-</b>

**Annexure – I.4**
**Restated Statement of Deferred Tax Liabilities/Assets**

Particulars	31-03-2022	31-03-2021	31-03-2020
<b>Deferred Tax Assets/Liabilities Provision</b>			
WDV As Per Companies Act 2013	60,272	1,54,400	-
WDV As Per Income tax Act	58,376	95,535	-
Difference in WDV	(1,896)	(58,865)	-
<b>(DTA)/DTL</b>	<b>(493)</b>	<b>(15,305)</b>	<b>-</b>
<b>Deferred Tax Assets Provision</b>			
Opening Balance of (DTA)/DTL	(15,305)	-	-
Add: Provision for the year	14,812	(15,305)	-
<b>Closing Balance of (DTA)/DTL</b>	<b>(493)</b>	<b>(15,305)</b>	<b>-</b>

## Annexure – I.5

## Restated Statement of Short Term Borrowings

Particulars	31-03-2022	31-03-2021	31-03-2020
Loan from Bank	90,11,112	90,37,094	90,49,901
Unsecured Loans from others	84,85,000	3,00,000	-
Unsecured Loans from Related Parties	3,52,656	2,54,97,794	-
<b>Total</b>	<b>1,78,48,768</b>	<b>3,48,34,888</b>	<b>90,49,901</b>

## Annexure – I.6

## Restated Statement of Trade Payables

Particulars	31-03-2022	31-03-2021	31-03-2020
MSME Creditors	-	-	-
Other Creditors	4,70,04,568	37,98,500	11,20,350
<b>Total</b>	<b>4,70,04,568</b>	<b>37,98,500</b>	<b>11,20,350</b>

## Annexure – I.7

## Restated Statement of Other Current Liabilities

Particulars	31-03-2022	31-03-2021	31-03-2020
Audit Fees Payable	50,000	10,500	10,500
TDS Payable	26,65,283	1,90,366	-
Salary, Wages Expenses	8,07,632	1,13,140	1,03,500
Electricity Expenses	-	-	2,560
Sundry Expenses	3,31,948	-	-
Outstanding Contract Charges	2,49,88,935	1,26,15,028	-
EPF	-	16,848	-
GST Payable	-	46	-
P Tax Payable	38,890	-	-
<b>Total</b>	<b>2,88,82,688</b>	<b>1,29,45,927</b>	<b>1,16,560</b>

## Annexure – I.8

## Restated Statement of Short Term Provision

Particulars	31-03-2022	31-03-2021	31-03-2020
Provision for Income Tax for Earlier Year	18,19,393	7,38,963	5,58,743
Provision for Income Tax Current Year	32,93,875	10,80,430	1,80,220
<b>Total</b>	<b>51,13,268</b>	<b>18,19,393</b>	<b>7,38,963</b>

## Annexure – I.9

## Restated Statement of Fixed Assets

Particulars	31-03-2022	31-03-2021	31-03-2020
<b>Tangible Assets</b>			
<i>Furniture &amp; Fittings</i>			
Gross Block - Opening Balance	35,150	-	-
Addition/Sale during the year	-	35,150	-
<b>Gross Block - Closing Balance</b>	<b>35,150</b>	<b>35,150</b>	-
Accumulated Depreciation - Opening Balance	9,100	-	-
Depreciation during the year	6,744	9,100	-
<b>Accumulated Depreciation - Closing Balance</b>	<b>15,844</b>	<b>9,100</b>	-
<b>Net Block</b>	<b>19,306</b>	<b>26,050</b>	-
<i>Computers, Printers &amp; Other Accessories</i>			
Gross Block - Opening Balance	2,30,050	-	-
Addition/Sale during the year	-	2,30,050	-
<b>Gross Block - Closing Balance</b>	<b>2,30,050</b>	<b>2,30,050</b>	-
Accumulated Depreciation - Opening Balance	1,45,300	-	-
Depreciation during the year	53,528	1,45,300	-
<b>Accumulated Depreciation - Closing Balance</b>	<b>1,98,828</b>	<b>1,45,300</b>	-
<b>Net Block</b>	<b>31,222</b>	<b>84,750</b>	-
<b>Total Net Block of Tangible Assets</b>	<b>50,528</b>	<b>1,10,800</b>	-
<b>B) Intangible Assets</b>	-	-	-
<b>C) Work-In-Progress</b>	-	-	-
<b>Depreciation for the Year</b>	<b>60,272</b>	<b>1,54,400</b>	-



**Annexure – I.10**
**Restated Statement of Non - current Investments**

Particulars	31-03-2022	31-03-2021	31-03-2020
Dynamic Services & Security Limited	5,00,00,000	-	-
Madhyamgram Property	21,00,000	-	-
<b>Total</b>	<b>5,21,00,000</b>	<b>-</b>	<b>-</b>

**Annexure – I.11**
**Restated Statement of Long Term Loans & Advances**

Particulars	31-03-2022	31-03-2021	31-03-2020
Nil	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Annexure – I.12**
**Restated Statement of Other Non-current Assets**

Particulars	31-03-2022	31-03-2021	31-03-2020
Nil	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Annexure – I.13**
**Restated Statement of Inventories**

Particulars	31-03-2022	31-03-2021	31-03-2020
Work In Progress	51,22,366	42,29,303	-
<b>Total</b>	<b>51,22,366</b>	<b>42,29,303</b>	<b>-</b>

**Annexure – I.14**
**Restated Statement of Trade Receivables**

Particulars	31-03-2022	31-03-2021	31-03-2020
<b>Debts outstanding for a period exceeding six months from the date they became due for payment</b>			
Secured & Considered Good	-	-	-
<b>Other Receivables</b>			
Secured & Considered Good	17,55,60,988	3,58,36,185	1,65,04,570
<b>Total</b>	<b>17,55,60,988</b>	<b>3,58,36,185</b>	<b>1,65,04,570</b>

**Annexure – I.15**
**Restated Statement of Cash and Cash Equivalents**

Particulars	31-03-2022	31-03-2021	31-03-2020
Cash In Hand	3,36,990	84,188	29,607
Balance With Bank (in Current Accounts)	39,73,044	53,229	14,025
<b>Total</b>	<b>43,10,034</b>	<b>1,37,416</b>	<b>43,632</b>

**Annexure – I.16**
**Restated Statement of Short Term Loans and Advances**

Particulars	31-03-2022	31-03-2021	31-03-2020
<b>Loans and Advances to others Unsecured, Considered good</b>			
NPCC LTD. (Security Deposit)	1,78,53,384	1,17,76,645	-
Loans and Advances	52,82,187	1,28,37,000	10,00,000
Security Deposit (CDSL)	10,000	-	-
Security Deposit (NSDL)	5,98,800	-	-
<b>Total</b>	<b>2,37,44,371</b>	<b>2,46,13,645</b>	<b>10,00,000</b>

**Annexure – I.17**
**Restated Statement of Other Current Assets**

Particulars	31-03-2022	31-03-2021	31-03-2020
Income Tax Paid for last Year	-	1,33,214	28,914
Interest Receivable	5,43,908	8,866	8,866
TDS Receivable	63,15,471	9,92,377	4,24,728
GST ITC	39,536	-	-
TCS Receivable	10,177	-	-
<b>Total</b>	<b>69,09,092</b>	<b>11,34,458</b>	<b>4,62,508</b>

**Annexure –II.1**
**Restated Statement of Revenue from operations**

Particulars	31-03-2022	31-03-2021	31-03-2020
Sales & Services			
- Domestic Sales	34,69,95,427	10,05,78,758	6,74,96,520
- Export Sales	-	-	-
<b>Total</b>	<b>34,69,95,427</b>	<b>10,05,78,758</b>	<b>6,74,96,520</b>

**Annexure –II.2**
**Restated Statement of Revenue from Other Income**

Particulars	31-03-2022	31-03-2021	31-03-2020
Interest on Fixed Deposit	5,35,041	-	-
Any Other Income	-	-	-
<b>Total</b>	<b>5,35,041</b>	<b>-</b>	<b>-</b>

**Annexure –II.3**
**Restated Statement of Cost of Materials Consumed**

Particulars	31-03-2022	31-03-2021	31-03-2020
<b>Opening Stock</b>	-	-	-
Add: Purchase during the Years	28,72,18,665	9,72,86,966	6,47,89,910
Less: Closing Stock	-	-	-
<b>Cost of Material Consumed</b>	<b>28,72,18,665</b>	<b>9,72,86,966</b>	<b>6,47,89,910</b>

**Annexure –II.4**
**Restated Statement of Change in Inventory**

Particulars	31-03-2022	31-03-2021	31-03-2020
<b>Opening</b>	-	-	-
Work In Progress	42,29,303	-	-
<b>Closing</b>			
Finished Goods	-	-	-
Work in Progress	51,22,366	42,29,303	-
<b>Increase/Decrease</b>			
Work in Progress	(8,93,063)	(42,29,303)	-
<b>Total</b>	<b>(8,93,063)</b>	<b>(42,29,303)</b>	<b>-</b>

**Annexure –II.5**
**Restated Statement of Employees Benefit Expenses**

Particulars	31-03-2022	31-03-2021	31-03-2020
Salaries, Wages & Bonus	48,09,079	4,62,800	4,48,500
PF Contributions	-	16,848	-
Staff Welfare	-	50,600	65,000
Directors Remuneration	21,70,000	5,50,000	-
Contract Labour Charges	2,93,59,720	-	-
<b>Total</b>	<b>3,63,38,799</b>	<b>10,80,248</b>	<b>5,13,500</b>

**Annexure –II.6**
**Restated Statement of Other Expenses**

Particulars	31-03-2022	31-03-2021	31-03-2020
Accounting Charges	85,000	66,000	66,000
Audit Fees	50,000	10,500	10,500
Bank Audit Fees	-	-	4,500
Bank Charges	-	75,156	8,126
Conveyance Charges	35,585	20,000	1,30,520
Donation & Subscription	14,000	1,500	1,500
Electricity & Fuel Charges	4,59,587	3,91,340	42,560
General Expenses	55,550	47,560	90,120
Gst Late fees	6,000	-	-
Insuarance exp.	-	-	38,500
Misc. Expenses	1,66,979	1,11,771	-
Printing & Stationery	2,99,557	5,500	16,520
Profession Tax	2,500	2,500	2,500
Professional & Technical Charges	25,04,000	3,500	-
Repairs & Maintenance	8,23,830	88,419	49,260
ROC Filing Fees	8,04,333	9,460	2,500
Telephone Expenses	5,040	2,396	22,560
Tender Fees	-	10,000	-
Trade Licence	1,500	1,500	1,500
Rent Expenses	1,62,500	-	-
Postage and Courier Charges	6,376	-	-
Loading & Unloading Charges	37,613	-	-
Interest on P. Tax	25	-	-
Interest on TDS	9,269	-	-
Business Promotion Expenses	50,000	-	-
Round off	108	-	-
SME IPO Expense	6,00,052	-	-
<b>Total</b>	<b>61,79,404</b>	<b>8,47,103</b>	<b>4,87,166</b>

**Annexure –II.7**
**Restated Statement of Financial Charges**

Particulars	31-03-2022	31-03-2021	31-03-2020
Interest On Secured Loan	2,04,279	1,63,455	-
Interest On Unsecured Loan	8,22,836	11,80,752	10,14,294
Bank Charges	63,001	-	-
<b>Total</b>	<b>10,90,116</b>	<b>13,44,207</b>	<b>10,14,294</b>

**Annexure –II.8**
**Restated Statement of Provision For Taxation**

Particulars	31-03-2022	31-03-2021	31-03-2020
Current Tax	45,5 9,920	10,80,430	1,80,220
Deferred Tax	(493)	(15,305)	-

**ANNEXURE –VI**
**Statement of Accounting & Other Ratios, As Restated**

Particulars	31-03-2022	31-03-2021	31-03-2020
<b>EBITDA</b>	1,86,86,663	55,93,745	17,05,944
<b>EBITDA Margin (%)</b>	5.38%	5.56%	2.53%
Net Worth as Restated	16,68,71,798	1,00,14,950	69,84,937
<b>Return on Net worth (%) as Restated</b>	7.78%	30.25%	7.32%
Equity Share at the end of year (in Nos.)	76,94,000	5,00,000	5,00,000
Weighted No. of Equity Shares	76,94,000	5,00,000	5,00,000
<b>Basic &amp; Diluted Earnings per Equity Share as Restated</b>	1.69	6.06	1.02
<b>Net Asset Value per Equity share as Restated</b>	21.69	20.03	13.97

**Note: -**

EBITDA Margin = EBITDA/Total Revenues

Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value/Book value per share (₹) = Net worth / No. of equity shares

The Company does not have any revaluation reserves or extra-ordinary items.

**Statement of Capitalization, As Restated**

Particulars	Pre Rights Issue	Post Rights Issue*
	31.03.2022	
<b>Debt :</b>		
Short Term Debt	1,78,48,768	1,78,48,768
Long Term Debt	20,92,087	20,92,087
<b>Total Debt</b>	<b>1,99,40,855</b>	<b>1,99,40,855</b>
<b>Shareholders Funds</b>		
Equity Share Capital	7,69,40,000	15,38,80,000
Reserves and Surplus	8,99,31,798	8,99,31,798
Less: Misc. Expenditure	-	-
<b>Total Shareholders' Funds</b>	<b>16,68,71,798</b>	<b>24,38,11,798</b>
<b>Long Term Debt/ Shareholders' Funds</b>	<b>0.01</b>	<b>0.01</b>
<b>Total Debt / Shareholders Fund</b>	<b>0.12</b>	<b>0.08</b>

\* Assuming Full Allotment of Rights shares

**ANNEXURE –VIII**
**Statement of Tax Shelter, As Restated**

Particulars	As At		
	31-03-2022	31-03-2021	31-03-2020
<b>Profit Before Tax as per books of accounts (A)</b>	<b>1,75,36,275</b>	<b>40,95,138</b>	<b>6,91,650</b>
-- Normal Tax rate	26.00%	26.00%	26.00%
-- Minimum Alternative Tax rate	15.60%	15.60%	15.60%
<b>Permanent differences</b>			
Other adjustments	-	-	-
Prior Period Item			
Donation Disallowances	-	1,500.00	1,500.00
<b>Total (B)</b>		<b>1,500.00</b>	<b>1,500.00</b>
<b>Timing Differences</b>			
Depreciation as per Books of Accounts	60,272	1,54,400	-
Depreciation as per Income Tax	58,376	95,535	-
Difference between tax depreciation and book depreciation	1,896	58,865	-
Other adjustments	-	-	-
Foreign income included in the statement	-	-	-
<b>Total (C)</b>	<b>1,896</b>	<b>58,865</b>	<b>-</b>
<b>Net Adjustments (D = B+C)</b>	<b>1,896</b>	<b>60,365</b>	<b>1,500</b>
<b>Total Income (E = A+D)</b>	<b>1,75,38,171</b>	<b>41,55,503</b>	<b>6,93,150</b>
Brought forward losses set off (Depreciation)	-	-	-
Tax effect on the above (F)	-	-	-
<b>Taxable Income/ (Loss) for the year/period (E+F)</b>	<b>1,75,38,171</b>	<b>41,55,503</b>	<b>6,93,150</b>
Tax Payable for the year	45,59,920	10,80,430	1,80,220
Tax payable as per MAT	27,35,955	6,48,258	1,08,132
Tax expense recognised	<b>45,59,920</b>	<b>10,80,430</b>	<b>1,80,220</b>
Tax payable as per normal rates or MAT (whichever is higher)	<b>Income Tax</b>	<b>Income Tax</b>	<b>Income Tax</b>

**ANNEXURE –IX**
**Statement of Related Parties & Transactions**

The company has entered into following related party transactions for the periods covered under audit. Such parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India.

<b>Name of the key Managerial personnel/Entity</b>	<b>Relationship</b>			
Jugal Kishore Bhagat	Director			
Rekha Bhagat	Managing Director			
Mithilesh Kumar Jha	Director			
Mustafa Rangwala	Company Secretary			
Prasenjit Biswas	Chief Financial Officer			
<b>Particulars</b>	<b>Name of Related Parties</b>			
Enterprises over which Key Management Personnel of the company has significant influence:	Dynamic Services & Security Limited			
	Dynamic Food Supplier ( Proprietor ship Firm- Rekha Bhagat)			
	Dynamic Construction ( Proprietor ship Firm- Rekha Bhagat)			
	Mehai Technology Limited			
	Unique Floriculture Projects Limited			
	Ashvika Fashion Pvt. Ltd.			
	Hakimuddin Siyawala (Director of Dynamic Services & Security Ltd.			
<b>Transactions with Related Parties:</b>				
<b>Particulars</b>	<b>Nature of Transaction</b>	<b>31-03-2022</b>	<b>31-03-2021</b>	<b>31-03-2020</b>
<b>Remuneration paid to Directors</b>				
Jugal Kishore Bhagat	Remuneration payable	-	2,00,000	-
Jugal Kishore Bhagat	Remuneration paid	-	(2,00,000)	-
Rekha Bhagat	Remuneration payable	21,70,000	1,50,000	-
Rekha Bhagat	Remuneration paid	(19,16,000)	(1,50,000)	-
Mithilesh Kumar Jha	Remuneration payable	-	2,00,000	-
Mithilesh Kumar Jha	Remuneration paid	-	(2,00,000)	-
<b>Sales</b>				
Dynamic Food Supplier	Sales	13,96,700	-	-
Dynamic Services & Security Limited	Sales	66,98,152	-	-
Mehai Technology Limited (before 18.03.2022)	Sales	1,17,25,894	-	-
<b>Purchase</b>				
Dynamic Services & Security Limited	Purchases	44,34,079	2,45,73,024	2,50,000
Dynamic Services & Security Limited ( Dynamic Services)	Purchases	9,69,62,051	-	-
Dynamic Services & Security Limited (Advance to Projects Dy. Services)	Advance to Projects	3,21,82,970	-	-
<b>Unsecured Loans</b>				
Jugal Kishore Bhagat	Unsecured Loans Taken	2,13,74,550	-	
Jugal Kishore Bhagat	Unsecured Loans Repayment	(2,13,74,550)	-	
Rekha Bhagat	Unsecured Loans Taken	2,04,25,460	-	
Rekha Bhagat	Unsecured Loans Repayment	(2,04,25,460)	-	
Dynamic Services & Security Limited	Unsecured Loans Taken	-	4,40,000	-
Dynamic Services & Security Limited	Unsecured Loans Repayment	(4,40,000.00)		
Dynamic Services & Security Limited ( Dynamic Services)	Unsecured Loans Taken	2,97,78,583	2,50,57,794	
Dynamic Services & Security Limited ( Dynamic Services)	Unsecured Loans Repayment	(5,44,83,721.00)	-	

<b>Loans &amp; Advances</b>				
Dynamic Services & Security Limited	Loans & Advances Given	9,86,520.00	-	-
Dynamic Services & Security Limited (Global Services)	Loans & Advances Given	41,25,070.00	-	-
Dynamic Services & Security Limited (Global Services)	Loans & Advances Received	(41,25,070.00)		
Dynamic Services & Security Limited (Dy. Enterprise)	Loans & Advances Given	77,11,930.00	-	-
Dynamic Services & Security Limited (Dy. Enterprise)	Loans & Advances Received	(77,11,930.00)	-	
Hakimuddin Siyawala (Director of DSSL)	Loans & Advances Given	5,00,000.00	-	10,00,000
<b>Investment</b>				
Dynamic Services & Security Limited	Investment of Shares	5,00,00,000.00	-	-

**ANNEXURE –X**

**Statement of Dividends**

No Dividend Paid till Date

**ANNEXURE –XI**

**Changes in the Significant Accounting Policies**

There have been no changes in the accounting policies of the company for the period covered under audit.

**ANNEXURE –XII**

**Contingent Liabilities:**

Nil

## CAPITALISATION STATEMENT

### Statement of Capitalization, As Restated

Particulars	Pre Rights Issue	Post Rights Issue*
	31.03.2022	
<b>Debt :</b>		
Short Term Debt	1,78,48,768	1,78,48,768
Long Term Debt	20,92,087	20,92,087
<b>Total Debt</b>	<b>1,99,40,855</b>	<b>1,99,40,855</b>
<b>Shareholders Funds</b>		
Equity Share Capital	7,69,40,000	15,38,80,000
Reserves and Surplus	8,99,31,798	8,99,31,798
Less: Misc. Expenditure	-	-
<b>Total Shareholders' Funds</b>	<b>16,68,71,798</b>	<b>24,38,11,798</b>
<i>Long Term Debt/ Shareholders' Funds</i>	<b>0.01</b>	<b>0.01</b>
<i>Total Debt / Shareholders Fund</i>	<b>0.12</b>	<b>0.08</b>

\* Assuming Full Allotment of Rights shares

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

The following discussion is intended to convey management's perspective on our audited financial condition and results of operations for the financial year ended March 31, 2022. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with the section titled "**Financial Information**" beginning on page 65 of this Draft Letter of Offer. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "**Risk Factors**" beginning on page 17 of this Draft Letter of Offer. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled "**Forward-Looking Statements**" beginning on page 13 of the Draft Letter of Offer.

Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Statements of the Company for the FY ended March 31, 2022, March 31, 2021 and March 31, 2020. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year. In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to "**Destiny Logistics & Infra Limited**", our Company.

### BUSINESS OVERVIEW

Since Incorporation our company is in the business of Logistics involving land-based transportation through third-party service provider. Our services are mainly in the domestic market, more specifically in the state of West Bengal. We procure third Party fleets both contractually and in spot market. We offer our customers transport management expertise and arrange for third party-operator to haul freight. We provide complete services like packaging, loading, transporting, unloading and unpacking of items. This asset light business model allows for scalability of services as well as flexibility to develop and offer customized logistic solution across diverse sectors. We provide end-to-end safe mobility and delivery of items. Recently our company has also diversified into infrastructure development activity.

We are also currently engaged in the infrastructure project- Construction of Storm Water Drainage Scheme for Municipal Town of Tarakeswar, Hooghly, West Bengal under Tarakeswar Development Authority, West Bengal and the work is under progress. Further, we are doing trading activities, mainly into building materials like cement, etc.

For further detailed information, please refer to chapter titled "**Our Business**" beginning from page 49 of this Draft Letter of Offer.

### SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST AUDITED PERIOD

In the opinion of the Board of Directors of our Company and except as disclosed in this Draft Letter of Offer and as disclosed below, since the date of the last financial statement i.e., March 31, 2022, there have not arisen any circumstance that materially or adversely affect or are likely to affect the trading or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months:

1. Board of Directors of our Company pursuant to a resolution passed at the Board meeting held on May 30, 2022 approved the Right Issue and at its Meeting held on August 23, 2022 approved the Issue price, Right entitlement ratio and the terms of the issue.
2. Our Equity Shareholders pursuant to a resolution passed at the Postal Ballot on July 5, 2022, approved the increase in authorised capital from Rs.10,00,00,000/- to Rs. 16,00,00,000/-.
3. The Company has been sanctioned a loan of Rs. 12,16,00,000/- comprising of Bank Guarantee Limit of Rs. 8,00,00,000/- ; Cash Credit Limit of Rs.2,00,00,000/-; General Business Purpose - Rs. 2,00,00,000/- and WCTL of Rs. 16,00,000/- from Axis Bank Limited vide sanction letter dated April 26, 2022.

### KEY FACTORS AFFECTING OUR RESULTS OF OPERATION

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "**Risk Factors**" beginning on page 17 of this Draft Letter of Offer. Our results of operations and financial conditions are affected by numerous factors including the following:

1. Uncertainty of the continuing impact of Covid-2019 on our financial conditions and operations.
2. Our dependence on limited number of customers for a significant portion of our revenues;
3. Any failure to comply with the financial and restrictive covenants under our financing arrangements;
4. Our ability to retain and hire key employees or maintain good relations with our workforce;
5. Impact of any reduction in sales of our services/products;
6. Rapid Technological advancement and inability to keep pace with the change;
7. Increased competition in industries/sector in which we operate;
8. Any adverse outcome in the legal proceedings in which we may be involved;
9. Changes in laws and regulations relating to the Sectors in which we operate;



10. General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
11. Political instability or changes in the Government in India or in the government of the states where we operate could cause us significant adverse effects;
12. Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
13. Occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition and
14. Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability.

#### SIGNIFICANT ACCOUNTING POLICIES:

Our significant accounting policies are described in the section entitled “*Financial Information*” beginning from page 65 of this Draft Letter of Offer

#### SUMMARY OF THE RESULTS OF OPERATION:

The following table sets forth select financial data from restated profit and loss accounts for the financial year ended on 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2021 and 31<sup>st</sup> March 2020 and the components of which are also expressed as a percentage of total income for such periods.

Particulars	For the year ended					
	31-03-2022	% of Total Revenue	31-03-2021	% of Total Revenue	31-03-2020	% of Total Revenue
<b>(1) Revenue</b>						
(a) Revenue from Operations	34,69,95,427	99.85%	10,05,78,758	100.00%	6,74,96,520	100.00%
(b) Other Income	5,35,041	0.15%	-	0.00%	-	0.00%
<b>Total Revenue (1)</b>	<b>34,75,30,468</b>	<b>100.00%</b>	<b>10,05,78,758</b>	<b>100.00%</b>	<b>6,74,96,520</b>	<b>100.00%</b>
<b>(2) Expenses</b>						
Cost of Material Consumed	28,72,18,665	82.65%	9,72,86,966	96.73%	6,47,89,910	95.99%
Change in Inventories	(8,93,063)	-0.26%	(42,29,303)	(4.20)%	-	0.00%
Employee Benefit Expenses	3,63,38,799	10.46%	10,80,248	1.07%	5,13,500	0.76%
Other Expenses	61,79,404	1.78%	8,47,103	0.84%	4,87,166	0.72%
<b>Total Expenses (2)</b>	<b>32,88,43,805</b>	<b>94.63%</b>	<b>9,49,85,014</b>	<b>94.44%</b>	<b>6,57,90,576</b>	<b>97.47%</b>
<b>(3) Profit/(Loss) before Interest, Depreciation and Tax (1-2)</b>	<b>1,86,86,663</b>	<b>5.38%</b>	<b>55,93,745</b>	<b>5.56%</b>	<b>17,05,944</b>	<b>2.53%</b>
Depreciation & Amortisation Expenses	60,272	0.02%	1,54,400	0.15%	-	0.00%
<b>(4) Profit/(Loss) before Interest and Tax</b>	<b>1,86,26,391</b>	<b>5.36%</b>	<b>54,39,345</b>	<b>5.41%</b>	<b>17,05,944</b>	<b>2.53%</b>
Financial Charges	10,90,116	0.31%	13,44,207	1.34%	10,14,294	0.02%
<b>(5) Profit/(Loss) before Tax</b>	<b>1,75,36,275</b>	<b>5.05%</b>	<b>40,95,138</b>	<b>4.07%</b>	<b>6,91,650</b>	<b>1.02%</b>
Prior Period Items	-	-	-	-	-	-
<b>(6) Profit/(Loss) before Tax</b>	<b>1,75,36,275</b>	<b>5.05%</b>	<b>40,95,138</b>	<b>4.07%</b>	<b>6,91,650</b>	<b>1.02%</b>
<b>Tax expense</b>						
(a) Current Tax	45,59,920	1.32%	10,80,430	1.07%	1,80,220	0.27%
(b) Deferred Tax	(493)	(0.00)%	(15,305)	(0.02)%	-	0.00%
<b>Total Tax Expenses</b>	<b>45,59,427</b>	<b>1.32%</b>	<b>10,65,125</b>	<b>1.06%</b>	<b>1,80,220</b>	<b>0.27%</b>
<b>(7) Profit/(Loss) for the period/ year</b>	<b>1,29,76,848</b>	<b>3.73%</b>	<b>30,30,013</b>	<b>3.01%</b>	<b>5,11,430</b>	<b>0.76%</b>

## COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2022 WITH FISCAL 2021

**Total Income:** During the FY 2021-22 the revenue from operation and other income of the company increased to ₹34,75,30,468/- as against ₹10,05,78,758/- in the FY 2020-21, representing an increase of 245.53% from FY 2020-21. This increase was mainly due to increase in volume of operational activity of the company especially in the infrastructure activity.

**Total Expenses:** The total expenditure excluding depreciation, Interest and tax amount, for the FY 2021-22 has increased to ₹32,88,43,805/- as against ₹9,49,85,014/- in the FY 2020-21, representing an increase of 246.21% from FY 2020-21. This increase was mainly due to increase in volume of operation during the FY as mentioned in total income above.

**Cost of Material consumed:** Cost of Material consumed for the FY 2021-22 has increased to ₹28,72,18,665/- as against ₹9,72,86,966/- in the FY 2020-21, representing an increase of 195.23% from FY 2020-21. This increase was mainly due to increase in volume of operation during the FY as mentioned in total income above.

**Employee Benefits Expense:** The Employee Benefits Expense for the FY 2021-22 has increased to ₹3,63,38,799/- as against ₹10,80,248/- in the FY 2020-21, representing an increase of 3363.92% from FY 2020-21. This increase was mainly due to the infrastructure project- Construction of Storm Water Drainage Scheme for Municipal Town of Tarakeswar, Hooghly, West Bengal under Tarakeswar Development Authority, West Bengal and the work is under progress.

**Other Expense:** The other Expense for the FY 2021-22 has increased to ₹61,79,404/- as against ₹8,47,103/- in the FY 2020-21, representing an increase of 629.47% from FY 2020-21. This increase was mainly due to increase in volume of operation during the FY as mentioned in total income above.

**Profit/ (Loss) Before Tax:** Profit before and Tax for FY 2021-22 has increased to ₹1,75,36,275/- as against ₹40,95,137/- in the FY 2020-21, representing an increase of 328.22% from FY 2020-21. This increase was mainly due to increase in volume of operation during the FY as mentioned in total income above resulting into absorbing our fixed cost.

**Profit/ (Loss) After Tax:** The restated Profit after Tax for FY 2021-22 has increased to ₹1,29,76,848/- as against ₹30,30,012/- in the FY 2020-21, representing an increase of 328.28% from FY 2020-21. This increase was mainly due to increase in volume of operation during the FY as mentioned in total income above resulting into absorbing our fixed cost.

## COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2021 WITH FISCAL 2020

**Total Income:** During the FY 2020-21 the revenue from operation and other income of the company increased to ₹10,05,78,758/- as against ₹6,74,96,520/- in the FY 2019-20, representing an increase of 49.01% from FY 2019-20. This increase was mainly due to increase in volume of operational activity of the company.

**Total Expenses:** The total expenditure excluding depreciation, Interest and tax amount, for the FY 2020-21 has increased to ₹9,49,85,014/- as against ₹6,57,90,576/- in the FY 2019-20, representing an increase of 44.37% from FY 2019-20. This increase was mainly due to increase in volume of operation during the FY as mentioned in total income above.

**Cost of Material consumed:** Cost of Material consumed for the FY 2020-21 has increased to ₹9,72,86,966/- as against ₹6,47,89,910/- in the FY 2019-20, representing an increase of 50.16% from FY 2019-20. This increase was mainly due to increase in volume of operation during the FY as mentioned in total income above.

**Employee Benefits Expense:** The Employee Benefits Expense for the FY 2020-21 has increased to ₹10,80,248/- as against ₹5,13,500/- in the FY 2019-20, representing an increase of 110.37% from FY 2020-21. This increase was mainly due to increase in volume of operation during the FY as mentioned in total income above.

**Other Expense:** The other Expense for the FY 2020-21 has increased to ₹8,47,103/- as against ₹4,87,166/- in the FY 2019-20, representing an increase of 73.88% from FY 2019-20. This increase was mainly due to increase in volume of operation during the FY as mentioned in total income above.

**Profit/ (Loss) Before Tax:** Profit before and Tax for FY 2020-21 has increased to ₹40,95,137/- as against ₹6,91,650/- in the FY 2019-20, representing an increase of 492.08% from FY 2019-20. This increase was mainly due to increase in volume of operation during the FY as mentioned in total income above resulting into absorbing our fixed cost.

**Profit/ (Loss) After Tax:** The restated Profit after Tax for FY 2020-21 has increased to ₹30,30,012/- as against ₹5,11,430/- in the FY 2019-20, representing an increase of 492.46% from FY 2019-20. This increase was mainly due to increase in volume of operation during the FY as mentioned in total income above resulting into absorbing our fixed cost.

**An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

**1. Unusual or infrequent events or transactions**

Except as described in this draft letter of offer, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

There are no significant economic changes that may materially affect or likely to affect income from continuing operations except the Covid-19 pandemic which is still to be controlled. However, Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations. To our knowledge, except as we have described in the Draft Letter of Offer, there are no known factors which we expect to bring about significant economic changes.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section “**Risk Factors**” beginning on page 17 in the draft letter of offer, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. Expected Future changes in relationship between costs and revenues**

Our Company’s future costs and revenues will be determined by demand/supply situation, Government Policies and Taxation and Currency fluctuations.

**5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices**

Changes in revenue in the last financial years are as explained in the part “Comparison of the financial performance of above.

**6. Total turnover of each major industry segment in which our Company operates**

Presently for the Financial year 2021-22 approx 60% is from infrastructural activities, approx 32% is from logistic activities and approx 8% is from trading activities, mainly into building materials like cement, etc.

**7. Status of any publicly announced New Products or Business Segment**

Our Company has not announced any new product other than disclosed in this draft letter of offer.

**8. Seasonality of business**

Currently, our company’s business is not seasonable in nature.

**9. Competitive conditions**

Competitive conditions are as described under the Chapters “**Industry Overview**” and “**Our Business**” beginning on pages 41 and 49 respectively of the draft letter of offer.

## SECTION VIII: LEGAL AND OTHER INFORMATIONS

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as disclosed below, there are no outstanding litigations involving our Company and our Subsidiaries/associates whose financial statements are included in the draft letter of offer, either separately or in a consolidated form including, suits, criminal or civil proceedings and taxation related proceedings that would have a material adverse effect on our operations, financial position or future revenues. In this regard, please note the following:

- In determining whether any outstanding litigation against our Company, other than litigation involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings relating to economic offences against our Company, would have a material adverse effect on our operations or financial position or impact our future revenues, we have considered all pending litigations involving our Company, other than criminal proceedings, statutory or regulatory actions, as 'material';
- For the purpose of determining materiality, the threshold shall be determined by the issuer as per requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Unless stated to the contrary, the information provided below is as of the date of this Draft Letter of Offer.

#### **I. CONTINGENT LIABILITIES OF OUR COMPANY**

As per the Audited Financials for the Financial Year ending 31<sup>st</sup> March, 2022, the Company has no Contingent Liabilities.

#### **II. LITIGATION INVOLVING OUR COMPANY**

##### **1. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL.**

##### **2. Litigation involving Tax Liabilities:**

###### **(i) Direct Tax Liabilities:**

<b>Authority</b>	Centralized Processing Department, Income Tax Department
<b>Section Code</b>	143(1)(a) of Income Tax Act, 1968
<b>Assessment Year</b>	2021-22
<b>Date of Demand</b>	04/05/2022
<b>Status</b>	No appeal has been preferred. Matter is pending
<b>Amount Involved</b>	Rs.5,77,960

###### **(ii) Indirect Taxes Liabilities: NIL.**

3. *Proceedings involving issues of moral turpitude or criminal liability on the part of our Company: NIL*
4. *Proceedings involving material violations of statutory regulations by our Company: NIL*
5. *Matters involving economic offences where proceedings have been initiated against our Company: NIL*

### III. LITIGATION INVOLVING OUR DIRECTORS

#### A. LITIGATION AGAINST OUR DIRECTORS

1. **Litigation Involving Criminal matters:** The below mentioned litigations are against our directors

**Mr. Jugal Kishore Bhagat (Promoter and Director) (in the capacity of Proprietor of M/s. Dynamic Services)**

<b>Court/Authority</b>	Chief Judicial Magistrate Court, Thiruvananthapuram
<b>Case Number</b>	CC/0500025/2022
<b>Date of Filing</b>	24.01.2022
<b>Case Details</b>	<p>An FIR Number RC 6(A)/2019/CBI/ACB/COCHIN Dated 31.05.2019 was filed by the CBI, ACB, Cochin under Section 154 Cr. PC under the suspected offence of criminal conspiracy, forgery, cheating under IPC, criminal misconduct by a public servant under the prevention of Corruption Act 1988. It was alleged in the said FIR that in pursuance of a criminal conspiracy, the entry of handling of cylinders in the floor sheet was fabricated in order to inflate the number of cylinders in the bill and claimed excess amount from Indian Oil Corporation Limited. Total fraudulent claim by the contractor is estimated around Rs.25 Lacs approx. The Inspector of Police, CBI/ACB/Cochin was directed to take up investigation.</p> <p>Subsequently, the CBI has filed its final investigation report with the Special Judge for CBI cases however it was transferred to CJI Thiruvananthapuram.</p>
<b>Status</b>	Matter is pending before the Chief Judicial Magistrate Court, Thiruvananthapuram.
<b>Amount Involved</b>	Rs.25.00 Lacs approx.

<b>Court/Authority</b>	Special Judge, CBI-III, Thiruvananthapuram
<b>Case No.</b>	Case No.CC/0300001/2021
<b>Case Details</b>	<p>An FIR Number RC 0332020A0004 Dated 11.09.2020 was filed under Section 154 Cr.PC under the suspected offence of criminal conspiracy, cheating and criminal misconduct under IPC. It was alleged in the said FIR that M/s. Dynamic Services had entered into criminal conspiracy with some unknown public servants in connection with execution of contract for Merchandise cleaning of Ernakulam South Railway Station during the period December, 2017 to March, 2019.</p> <p>It was alleged that, M/s. Dynamic Services in connivance with others supplied less labourers than as mentioned in the contract and claimed excess amount of approx. Rs.4,13,068/-, also they have paid less wages to the contract workers and presented fake/fabricated letters to the contractor and thereby causing a wrongful gain of around Rs.2,58,284/- to themselves and also gave an illegal gratification of Rs.3,41,500/- to the then CHI of the Ernakulam Jn. Railway Station (Accused No.1) to induce him to perform his public duty improperly. The Inspector of Police (ACB Cochin) was directed to take up investigation.</p>
<b>Status</b>	Matter is pending before Special Judge, CBI-III, Thiruvananthapuram
<b>Amount Involved</b>	Rs.10.13 Lakhs approx.

2. **Litigation Involving Civil matters:** The below mentioned litigations are against our directors

(a) **Mr. Jugal Kishore Bhagat (Promoter and Director) (in the capacity of Proprietor of Dynamic Services Firm)**

<b>Court/Authority</b>	Orissa High Court, In the Court of Honorable Chief Justice
<b>Case No.</b>	WP(C)/2265/2016
<b>Date of Filing</b>	08/02/2016
<b>Case Details</b>	Writ Petition filed by one Mr. Shiva Nayak and 6 Others against Mr. Jugal Kishore Bhagat (Prop. of Dynamic Services) and 3 Other. The rest of the matter is unknown.
<b>Status</b>	Pending
<b>Amount Involved</b>	-

<b>Court/Authority</b>	Orissa High Court, In the Court of Honorable Chief Justice
<b>Case No.</b>	WP(C)/726/2016
<b>Date of Filing</b>	14/01/2016
<b>Case Details</b>	Writ Petition filed by one Mr. Charan Nayak and 6 Others against Mr. Jugal Kishore Bhagat (Prop. of Dynamic Services) and 3 Other. The rest of the matter is unknown.
<b>Status</b>	Pending
<b>Amount Involved</b>	-

(b) **Dipak Rajbhar & Ors vs The Union of India & Mr. Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm) and 5 others.**

<b>Court/Authority</b>	In the High Court at Calcutta, W.P.A. NO. 8617 of 2022
<b>Case Details</b>	A writ petition (civil) was filed by one Mr. Dipak Rajbhar & Ors against the Union of India & Mr. Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm) and 5 Others. The petitioners alleged that they were working since long continuously as coach cleaners and /or safaiwala for the Eastern Railway under the contract given to the Respondents. By this writ petition the petitioners are seeking for regularisation of their service. The petitioners alleged that the respondent no. 7 Mr. Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm) and 2 others i.e. respondent no. 5, 6 have been arrayed as parties in the instant writ petition since the said respondents are the service providers and they engage the petitioners for rendering services to the railways under the contract.
<b>Present Status</b>	The instant matter is pending.

(c) **Rajesh Kumar Sharma & Ors vs The Union of India & Mr. Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm) and 5 others.**

<b>Court/Authority</b>	In the High Court at Calcutta, W.P.A. NO. 5645 of 2022
<b>Case Details</b>	A writ petition (civil) was filed by one Mr. Rajesh Kumar Sharma & Ors against the Union of India & Mr. Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm) and 5 Others. The petitioners has alleged that the petitioners are contractual labourers who have been in perennial service in the posts of AC coach Attendants for the South Eastern Railway. By this writ petition the petitioners are seeking for regularisation of their service. The petitioners has alleged that the respondent no 6 Mr. Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm) and 1 other respondent no. 7 have been arrayed as parties in the instant writ petition since the said respondents are the service providers and they engage the petitioners for rendering services to the railways under the contract.
<b>Present Status</b>	The instant matter is pending.

(d) **Dinesh Patra & Ors vs The Union of India & Mr. Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm) and 9 others.**

<b>Court/Authority</b>	In the High Court at Calcutta, W.P.A. NO. 14766 of 2022
<b>Case Details</b>	A writ petition (civil) was filed by one Mr. Dinesh Patra & Ors against the Union of India & Mr. Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm) and 9 Others. The petitioners has alleged that the petitioners are contractual labourers who have been in perennial service in the posts of ACCA, Bedroll Supervisors for the South Eastern Railway. By this writ petition the petitioners are seeking for regularisation of their service. The petitioners has alleged that the respondent no 8 Mr. Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm) and 5 other respondents have been arrayed as parties in the instant writ petition since the said respondents are the service providers and they engage the petitioners for rendering services to the railways under the contract.
<b>Present Status</b>	The instant matter is pending.

(e) **M/s Saibro Chem V/s. Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm)**

<b>Authority</b>	The Court of the XI Junior Civil Judge, City Civil Court at Secunderabad
<b>Case No.</b>	Case No. O.S. 384/2022
<b>Brief about the case</b>	It was alleged that Dynamic Services owed a sum of Rs.5,07,563/- to M/s Saibro Chem hence this Civil Suite for the recovery of the said amount.
<b>Status</b>	Matter is pending

(f) **The Indian Oil Corporation Limited Vs. Mr. Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm).**

<b>Court/Authority</b>	Commercial Court, Ernakulam
<b>Case Number</b>	200084/2021
<b>Filing Date</b>	05/07/2021
<b>Case Details</b>	M/s. Dynamic Services had entered into a contract with the Indian Oil Corporation Limited (IOCL) on 03.05.2017 by which they were authorised to carry out haulage, cartage, cleaning, housekeeping and other miscellaneous work at LPG bottling plant at Paripally, Kollam. While so, workers raised claim for enhancement of wages and conciliation proceedings were held in the presence of the Regional Labour Commissioner. A settlement was arrived at. IOCL failed to comply with the terms of settlement. An application was filed on 24.10.2019 under Section 11(6) of the Arbitration and Conciliation Act, 1996 seeking appointment of an Arbitrator to resolve the disputes between the parties. The learned High Court nominated a sole arbitrator Mr. Justice (Retired) Harun-Ul-Rashid by its order dated 06.02.2020. M/s. Dynamic Services has received an award amounting to Rs. 43.77 Lakhs and interest @ 12% thereon in its favour. The instant case has been filed by Indian Oil Corporation challenging the said award under section 34 of the Arbitration & Conciliation Act, 1996.
<b>Present Status</b>	Matter is pending

**3. Litigation Involving Actions by Statutory/Regulatory Authorities:**

(a) **Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm)**

A Demand Notice No. A/045/WB/58110/RO/BKP/DAM/7Q/Zone-508/659(I) dated 20.07.2022 has been received from the Employees Provident Fund Organisation, Regional Office Kolkata, demanding the balance Payment of Interest aggregating to Rs.28.65 Lacs on Belated Remittance for the Period from 04/05/2018 to 25/11/2021 (wage month 09/2015 to 09/2021) U/S 7Q of the EPF & MP Act, 1952. The matter is pending.

**(b) Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm)**

A Demand Notice No. 43400426770010999/CP/265662/RRC dated 21.07.2022 has been received from the Employees State Insurance Corporation, Regional office Guwahati, demanding a Payment of Rs.3.30 Lacs towards recovery of ESI contribution for the Period from 11/2016 to 01/2019 including interest and cost thereon. The matter is pending.

**4. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities:**

**(a) Mr. Jugal Kishore Bhagat (Promoter and Director)**

<b>Authority</b>	Assistant Commissioner of Income Tax, NaFAC-1(1)(2), Delhi
<b>Section Code</b>	143(2) of Income Tax Act, 1968
<b>Assessment Year</b>	2020-21
<b>Date of Notice</b>	29/06/2021
<b>Case Details</b>	Notice under section 143(2) received for complete scrutiny of books of accounts
<b>Status</b>	Under Process of hearing
<b>Amount Involved</b>	Cannot be ascertained pending proceeding

**(ii) Indirect Taxes Liabilities:**

**(a) Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm)**

<b>Authority</b>	DGGI-East Kolkata Unit
<b>Assessment Year</b>	2017-18, 2018-19, 2019-20 and 2020-21
<b>Brief about the case</b>	Enquiry/investigation pertaining to GST liability assessment for the FY 2017-18, 2018-19, 2019-20 and 2020-21 are ongoing for M/s. Dynamic Service and M/s. Pragati General Order Supplier (the proprietorship firm of Mr. Jugal Kishore Bhagat), with Bureau of Investigation (South Bengal) and DGGI-East Kolkata Unit. Both the agency as aforesaid collected relevant documents as was available with the firm at the time of the respective Survey. The Firm requested the Bureau of Investigation (South Bengal) to consolidate all the enquiries with one department i.e., DGGI-East Kolkata Unit instead of two separate units for the better compliance purpose. The matter is pending with DGGI-East Kolkata Unit as well of Bureau of Investigation (South Bengal). Total amount of dues is yet to be ascertained as the outcome of the enquiry proceedings is pending. Any adverse outcome of the enquiry proceedings may affect the financial position of the Company/Group.
<b>Status</b>	Matter is pending

**(b) Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm)**

<b>Authority</b>	Directorate of Commercial Taxes, Office of the Charge Officer, Salt Lake Charge Government of West Bengal
<b>Assessment Year</b>	2017-18
<b>Brief about the case</b>	Notice received from the Authority vide No. ZD1907220097738; Dated 13/07/2022 w.r.t. Discrepancies found during Scrutiny of returns u/s-61 of the CGST Act, 2017 and WBGST Act, 2017 aggregating to an amount of Rs.58.86 Lacs.
<b>Status</b>	Matter is pending



(c) **Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm)**

<b>Authority</b>	Dy. Commissioner of Revenue, Salt Lake, Government of West Bengal
<b>Assessment Year</b>	2018-19
<b>Brief about the case</b>	It was alleged by the Authority that the taxpayer has claimed and availed Input Tax Credit for the tax periods for the year 2018-19 on such inward supply made from the taxable persons whose registration under the Act had been cancelled retrospectively with effect from their date of registration for the reason of obtaining registration by means of fraud, willful misstatement and/or suppression of fact and/or made from the supplier which has been found non- existent or not to be conducting any business from any place for which registration is granted, the ITC availed by the taxpayer on said transactions to the extent of Rs. 2,15,24,824.00 without actual receipt of any underlying supply of goods and/or services in contravention of Sec.16(2)(b) of WBGST Act and was inadmissible. Therefore the Authority vide Adjudication vide its Order No. ZD190322013751Q dated-26.03.2022 has demanded an amount aggregating to Rs.5,47,67,860 (including Interest and Penalty). Aggrieved by the said order the taxpayer has preferred an appeal before the Appellate Authority on 11.05.2022.
<b>Status</b>	Matter is pending

(d) **Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm)**

<b>Authority</b>	Dy. Commissioner of Revenue, Salt Lake, Government of West Bengal
<b>Assessment Year</b>	2019-20
<b>Brief about the case</b>	It was alleged by the Authority that the taxpayer has claimed and availed Input Tax Credit for the tax periods for the year 2019-20 on such inward supply made from the taxable persons whose registration under the Act had been cancelled retrospectively with effect from their date of registration for the reason of obtaining registration by means of fraud, willful misstatement and/or suppression of fact and/or made from the supplier which has been found non- existent or not to be conducting any business from any place for which registration is granted, the ITC availed by the taxpayer on said transactions to the extent of Rs.1,76,50,324.00 without actual receipt of any underlying supply of goods and/or services in contravention of Sec.16(2)(b) of WBGST Act and was inadmissible. Therefore the Authority vide Adjudication vide its Order No. ZD190322013759A dated-26.03.2022 has demanded an amount aggregating to Rs.4,33,88,228 (including Interest and Penalty). Aggrieved by the said order the taxpayer has preferred an appeal before the Appellate Authority on 11.05.2022.
<b>Status</b>	Matter is pending

(e) **Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm)**

<b>Authority</b>	Dy. Commissioner of Revenue, Salt Lake, Government of West Bengal
<b>Assessment Year</b>	2020-21
<b>Brief about the case</b>	It was alleged by the Authority that the taxpayer has claimed and availed Input Tax Credit for the tax periods for the year 2020-21 on such inward supply made from the taxable persons whose registration under the Act had been cancelled retrospectively with effect from their date of registration for the reason of obtaining registration by means of fraud, willful misstatement and/or suppression of fact and/or made from the supplier which has been found non- existent or not to be conducting any business from any place for which registration is granted, the ITC availed by the taxpayer on said transactions to the extent of Rs.22,95,378.00 without actual receipt of any underlying supply of goods and/or services in contravention of Sec.16(2)(b) of WBGST Act and was inadmissible. Therefore the Authority vide Adjudication vide its Order No. ZD190322013763L dated-26.03.2022 has demanded an amount aggregating to Rs.53,54,834 (including Interest and Penalty). Aggrieved by the said order the taxpayer has preferred an appeal before the Appellate Authority on 11.05.2022.
<b>Status</b>	Matter is pending

5. Other Pending Litigations: Nil

## B. LITIGATION FILED BY OUR DIRECTORS

1. Litigation Involving Criminal matters: Nil

2. Litigation Involving Civil matters:

(a) Arbitration Between M/S Dynamic Services (Mr. Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services) (Claimant) Vs Southern Railway & Ors.(Respondents)

<b>Court/Authority</b>	Learned Presiding Arbitrator & Other Arbitrator
<b>Case Details</b>	The Claim relates to two (02) Agreements, for mechanized cleaning and housekeeping work at Ernakulam and Nagarcoil stations, executed between the M/s. Dynamic Services and Southern Railways. The Claimant has alleged that the Southern Railway have illegally terminated the aforesaid two (02) contracts and forfeited the Performance Guarantee and Security Deposits. That the claimant has filed a statement of claim of Rs.39.07 Lacs and interests for the Ernakulam contract; and an amount of Rs.17.67 Lacs and interests for the Nagarcoil contract.
<b>Present Status</b>	The instant matter is pending.

(b) Arbitration Between M/S Dynamic Services (Mr. Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services) (Claimant) Vs Southern Railway & Ors. (Resondents)

<b>Court/Authority</b>	Learned Presiding Arbitrator & Other Arbitrator
<b>Case Details</b>	The M/S Dynamic Services was engaged in OBHS work on eight (08) trains at Nagarcoil Junction From 05.05.2017 to 04.05.2019. The Claimant has alleged that, The Ministry of Labour introduced a 40% hike in minimum wages for OBHS workers on 19.01.2017. However, the Claimant's contract was made under previous minimum wage rules and the unexpected hike caused a huge financial burden on the Claimant. New contracts were awarded by Southern Railways at higher rates to other contractors. This created further labour shortage for the Claimant, and OBHS work of the Railways suffered. As a result, the Claimant incurred several penalties. The Claimant has alleged that they have completed the Contract despite the difficulties on 04.05.2019, and obtained 'Work Completion Report' on 06.09.2019; and signed Final Variation Statement in the month of January 2020 with the understanding that the Performance Guarantee and Security Deposit would be released. The claimant wrote three (03) letters, dated 18.09.2019, 22.10.2019, and 12.01.2021 requested release of Performance Guarantee and Security Deposit. However, the Respondent No.2 informed the Claimant vide letter, dated 01.02.2021 (i.e. 20 months after closure of Contract), that the Respondents had decided rescind the Contract, and consequently the Performance Guarantee and Security Deposit was forfeited. The Claimant has filed its statement of claim before the Ld. Arbitral Forum, inter alia, seeking release of the Performance Guarantee and Security Deposit return of part of the penalties incurred; and legal and other expenses aggregating to Rs.2.14 Crores along with interest.
<b>Present Status</b>	The instant matter is pending.

(c) Mr. Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm) Vs. The Indian Oil Corporation Limited and 2 Ors.

<b>Court/Authority</b>	Commercial Court, Ernakulam
<b>Case Number</b>	200192/2022
<b>Filing Date</b>	04/03/2022
<b>Case Details</b>	M/s. Dynamic Services had entered into a contract with the Indian Oil Corporation Limited (IOCL) on 03.05.2017 by which they were authorised to carry out haulage, cartage, cleaning, housekeeping and other miscellaneous work at LPG bottling plant at Paripally, Kollam. While so, workers raised claim for enhancement of wages and conciliation proceedings were held in the presence of the Regional Labour Commissioner. A settlement was arrived at. IOCL failed to comply with the terms of

	settlement. An application was filed on 24.10.2019 under Section 11(6) of the Arbitration and Conciliation Act, 1996 seeking appointment of an Arbitrator to resolve the disputes between the parties. The learned High Court nominated a sole arbitrator Mr. Justice (Retired) Harun-Ul-Rashid by its order dated 06.02.2020. M/s. Dynamic Services has received an award amounting to Rs. 43.77 Lakhs and interest @ 12% thereon in its favour. The instant case has been filed by M/s. Dynamic Services for the Execution of the said Arbitral Award.
<b>Present Status</b>	Matter is pending

**3. Litigation Involving Actions by Statutory/Regulatory Authorities:** Nil

**4. Litigation involving Tax Liabilities**

(i) **Direct Tax Liabilities:** Nil

(ii) **Indirect Taxes Liabilities:** Nil

**5. Other Litigations:** Nil

#### **IV. LITIGATION INVOLVING OUR PROMOTERS**

##### **A. LITIGATION AGAINST OUR PROMOTERS**

*As per Point No. II. A. above.*

##### **B. LITIGATION FILED BY OUR PROMOTERS**

*As Point No. II. B. above.*

#### **V. PENALTIES IMPOSED IN PAST CASES FOR THE LAST FIVE YEARS: Nil.**

#### **VI. LITIGATIONS INVOLVING OUR SUBSIDIARIES: Nil.**

#### **DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

Neither our Company, nor our Promoter or any of our Directors are or have been categorized as a willful defaulter or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters and a fraudulent borrower issued by the RBI.

#### **OUTSTANDING LITIGATIONS INVOLVING THE COMPANY OR INVOLVING ANY OTHER PERSON OR COMPANY WHOSE OUTCOME MAY HAVE A MATERIAL ADVERSE EFFECT ON THE COMPANY'S RESULTS OF OPERATIONS OR FINANCIAL POSITION.**

Except as described above, as on date of this Draft Letter of Offer, there are no outstanding litigations involving the Company, or involving any other person or company whose outcome may have a material adverse effect on the Company's results of operations or financial position.

#### **DETAILS OF MATERIAL DEVELOPMENTS AFTER THE DATE OF LAST BALANCE SHEET I.E. MARCH 31, 2022.**

Except as mentioned in this Draft Letter of Offer, no material circumstances have arisen since the date of last financial statement until the date of filing the Draft Letter of Offer, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months to our knowledge.

#### **OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS**

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on March 31, 2022:

Name	Balance as on March 31, 2022
Total Outstanding dues to Micro and Small & Medium Enterprises (MSME)*	Nil
Total Outstanding dues to Creditors other than MSME#	Rs. 470 Lakhs

\* Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, is not available with us as we are in the process of Compiling the information from our vendors.

# As per restated audited balance sheet.

## GOVERNMENT APPROVALS

Our Company is required to comply with the provisions of various laws and regulations and obtain approvals, registrations, permits and licenses under them for conducting our operations. The requirement for approvals may vary based on factors such as the activity being carried out and the legal requirements in the jurisdiction in which we are operating.

Further, our obligation to obtain and renew such approvals arises periodically and applications for such approvals are made at the appropriate stage. Our Company has obtained all material consents, licenses, permissions and approvals from governmental and regulatory authorities that are required for carrying on our present business activities. In the event, some of the approvals and licenses that are required for our business operations expire in the ordinary course of business, we will apply for their renewal, from time to time.

As on the date of this Draft Letter of Offer, there are no pending material Government and Regulatory approvals required for our Company to conduct our existing business and operations and objects of the Issue.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

1. The Issue of this Right Equity Shares to the eligible shareholders in terms of this draft Letter of Offer has been authorized by a resolution by the Board of Directors passed at their meeting held on May 30, 2022 under Section 62 of the Companies Act 2013.
2. Our Board/Right Issue Committee in its meeting held on August 23, 2022, has resolved to issue 76,94,000 Rights Equity Shares to the Eligible Equity Shareholders aggregating up to ₹ 7.69 crores and decided to issue the Rights Equity Shares at an Issue Price of ₹ 10/- per Rights Equity Share, in the ratio of 1 (One) Rights Equity Share for every 1 (One) Equity Shares, as held on the Record Date. The Issue Price of ₹ 10/- per Rights Equity Share has been arrived at, in consultation with the Lead Manager, prior to determination of the Record Date.
3. The Draft Letter of Offer has been approved by our Board pursuant to its resolution dated August 23, 2022.
4. The Letter of Offer has been approved by our Board pursuant to its resolution dated [●].
5. Our Company has received in-principle approvals from NSE in accordance with Regulation 28 of the SEBI Listing Regulation vide their letters dated [●] and [●] respectively for listing of the Rights Equity Shares to be allotted in the Issue pursuant to letter dated [●].
6. Our Company will also make applications to the NSE to obtain their trading approvals for the Rights Entitlements as required under the January 22, 2020 – Rights Issue Circular.
7. Our Company has been allotted the ISIN - [●] for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. For details, see “*Terms of the Issue*” beginning on page [●] of this Draft Letter of Offer.

### CONFIRMATION

- Our Company, our Promoters, Promoter Group, our Directors, person(s) in control of the promoter or our Company have not been or are not prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.
- Our Company, our Promoters, Promoters’ Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
- None of our Directors are associated with the securities market in any manner and there has been no outstanding action initiated by the SEBI against the Directors.

### ELIGIBILITY FOR THE ISSUE

Our Company is a listed company, incorporated under the Companies Act, 1956. The Equity Shares are presently listed on the NSE. Our Company is eligible to offer Rights Equity Shares pursuant to the Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Pursuant to Clause 2 of Part B of Schedule VI to the SEBI ICDR Regulations, our Company is required to make disclosures in accordance with Part B-1 of Schedule VI to the SEBI ICDR Regulations.

### COMPLIANCE WITH REGULATIONS 61 AND 62 OF THE SEBI (ICDR) REGULATIONS

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable, details are mentioned as under:

- Our Company, any of our Promoters, Promoter Group or our Directors are not debarred from accessing the capital market by SEBI.
- None of our promoters or Directors of our company is a promoter or director of any other company which is debarred from accessing the capital market by SEBI.

- None of our Promoters or our Directors are declared as Fugitive Economic Offenders within the meaning of the Fugitive Economic Offenders Act, 2018.
- Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company has made an application to NSE for their in-principle approval and undertakes to make an application to NSE for listing and trading approval of the Rights Equity Shares to be issued pursuant to the Issue.

All Equity Shares are fully paid-up and there are no partly paid Equity Shares outstanding as on the date of this Draft Letter of Offer.

- We will ensure compliance with the conditions specified in Regulation 62(2) of the SEBI ICDR Regulations, to the extent applicable.
- Neither our Company, nor our Promoters or our Directors, have been identified as a willful defaulter or fraudulent borrower by the RBI.
- The promoters or promoter group of our company will not renounce their rights except to the extent of renunciation within the promoter group.

### DISCLAIMER CLAUSE OF SEBI

In terms of Regulation 3 of SEBI ICDR regulation, in case of Rights Issue size is less than Rs. Fifty (₹50.00) crores, the issuer shall prepare the draft letter of offer in accordance with requirement as specified in the regulation and file the Letter of Offer with the SEBI for information and dissemination on the SEBI's website.

Since the Board of Directors of our Company has approved and passed resolution on May 30, 2022 to authorize the Board of Directors to raise the funds by way of Right Offering aggregating to Rupees 7.69 Crores, the Draft letter of offer has not been filed with SEBI for their approval. Only the Letter of Offer will be filed with the SEBI for information and dissemination on the SEBI's website.

**HOWEVER, IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT LETTER OF OFFER TO THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER.**

### DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER

Our Company and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Letter of Offer or in the advertisements or any other material issued by or at the instance of our company and that anyone placing reliance on any other source of information would be doing so at their own risk.

Investors who invest in the Issue will be deemed to have been represented by our Company and the Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Right 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 and the Lead Manager shall make all information available to the Eligible Equity Shareholders and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Draft Letter of Offer with the SEBI/Stock Exchange.

No dealer, salesperson or other person is authorised to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorised information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and rights to purchase the Rights Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Draft Letter of Offer is current only as of its date.

## **DISCLAIMER IN RESPECT OF JURISDICTION**

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations there-under. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in **Kolkata, West Bengal, India** only.

## **DISCLAIMER CLAUSE OF NSE**

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

## **LISTING**

Our Company will apply to NSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

## **CONSENTS**

Consents in writing of our Promoter, Directors, Auditors, Lead Manager and the Registrar to the Issue to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer.

## **EXPERT OPINION**

Except for the reports in the section “Financial Information of the Company” on Restated Financial Information and “Statement of Tax Benefits” on page 61 and page 42, from the Statutory Auditors, our Company has not obtained any expert opinions.

## **PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/RIGHTS ISSUE OF OUR COMPANY**

Our Company had come out with a Public Issue through Initial Public Offer. The Equity Shares of the Company are listed on the Emerge Platform of NSE with effect from 13<sup>th</sup> October, 2021. The objects for which the monies were raised from the public has been achieved.

## **PERFORMANCE VIS-À-VIS OBJECTS – LAST ISSUE OF LISTED SUBSIDIARIES OR ASSOCIATES**

Our Company does not have any subsidiaries or associate companies as on the date of this Draft Letter of Offer.

## **FILING**

The Draft Letter of Offer shall not be filed with SEBI, nor will SEBI issue any observation on the Draft Letter of Offer as the size of issue is less than Rs. Fifty Crores.

The Draft Letter of Offer is being filed with NSE for obtaining its in-principle approval.

However, our Company will submit a copy of the Letter of Offer to SEBI for the purpose of their information and dissemination on its website by mailing it to the e-mail address: [cfddil@sebi.gov.in](mailto:cfddil@sebi.gov.in).

## **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations.

- ✓ We have been registered with the SEBI Complaints Redress System (SCORES) as required by SEBI and monitor the same on regular interval.
- ✓ Our Company has a Stakeholders Relationship Committee to redress complaints, if any. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights.
- ✓ Our Company has appointed Mr. Mustafa Rangwala, Company Secretary, as the Compliance Officer to redress complaints, if any.



Cameo Corporate Services Limited is Registrar to our Company. All investor grievances received by us have been handled by the Registrar in consultation with the Company Secretary and Compliance Officer.

#### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar for the redressal of routine investor grievances shall be seven (7) to fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

#### **Investor Grievances arising out of the Issue**

Our Company has appointed Cameo Corporate Services Limited (“CAMEO”) as Registrar to this Right issue.

Our Company has also appointed Mr. Mustafa Rangwala, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue.

**Investors may contact the Registrar or our Compliance Officer for any pre-Issue/post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail ID of the sole/ first holder, folio number or demat account number, serial number of the Application Form, 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 ASBA Investors along with a photocopy of the acknowledgement slip.**

In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to attend to them as expeditiously as possible. Our Company undertakes to resolve the investor grievances in a time bound manner.

Contact details of the Registrar to this issue and of our Company Secretary and Compliance Officer are as follows:

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#### **Registrar to the Issue**

##### **CAMEO CORPORATE SERVICES LIMITED**

“Subramanian Building”, No.1, Club House Road,  
Chennai- 600 002 India

**Telephone:** +91-44-40020700 / 0710 / 0706 / 0741

**Facsimile:** +91-44-28460129

**Email Id:** [priya@cameoindia.com](mailto:priya@cameoindia.com)

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

**Investor Grievance Email id:** [investor@cameoindia.com](mailto:investor@cameoindia.com)

**Contact Person:** Mr. K. Sreepriya

**SEBI Registration No:** INR000003753

**CIN:** U67120TN1998PLC041613

#### **Company Secretary & Compliance officer**

**Mr. Mustafa Rangwala, Company Secretary**

**Destiny Logistics & Infra Limited**

**Registered & Corporate office:** 375, Dakshindari Road,  
Kolkata – 700048

**Telephone:** 033- 40087463

**E-Mail Id:** [cs@destinyinfra.in](mailto:cs@destinyinfra.in)

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

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#### **Status of outstanding investor complaints in relation to our Company**

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

#### **STOCK MARKET DATA OF THE EQUITY SHARES**

The Equity Shares of our Company are listed on the NSE.

For the purpose of this section:

- High price is the maximum of the daily high prices and Low price is the minimum of the daily low prices of the Equity Shares, for the year, or the month, as the case may be; and
- In case of two days with the same high/low/closing price, the date with higher volume has been considered.

### Monthly Stock Market Quotation

The high and low prices and volume of the Equity Shares traded on the respective dates during the last six months is as follows:

(Source – [www.nseindia.com](http://www.nseindia.com))

Month	High (₹)	Date of High	No. of Shares Traded on date of High	Low (₹)	Date of Low	No. of Shares Traded on date of Low	Average Volume of Equity Share Traded for the Month	Total No. of Traded Days
February 2022	15.00	Feb 9, 2022	42,000	11.70	Feb 25, 2022	30,000	25,765	17
March 2022	12.75	March 14, 2022	30,000	10.30	March 21, 2022	18000	16,364	11
April 2022	11.70	April 12, 2022	36,000	9.65	April 21, 2022	12,000	14,400	15
May 2022	18.30	May 30, 2022	1,20,000	10.00	May 9, 2022	12,000	35,684	19
June 2022	20.85	June 14, 2022	66,000	16.70	June 3, 2022	30,000	30,333	18
July 2022	18.90	July 25, 2022	12,000	16.95	July 12, 2022	12,000	13,000	6
August 2022*	18.00	August 16, 2022	30,000	15.20	August 04, 2022	18000	15,818.18	11

\*Till August 22, 2022

### Yearly Stock Market Quotation

The high, low prices and average of closing prices recorded on the NSE for the Financial Years 2021-2022\* and 2022-2023# and the number of Equity Shares traded on the days the high and low prices were recorded are stated below:

(Source – [www.nseindia.com](http://www.nseindia.com))

Financial Year	High (₹)	Date of High	No. of Shares Traded on date of High	Low (₹)	Date of Low	No. of Shares Traded on date of Low	Average Price for the Year
2021-2022*	15.45	Jan 18, 2022	1,14,000	8.05	Dec 29, 2021	48,000	11.65
2022-2023#	20.85	June 14, 2022	66,000	9.65	April 21, 2022	12,000	14.22

\*From October 13, 2021 during FY 2021-2022 (since the Company got listed on October 13, 2021)

#Till August 22, 2022 during FY 2022-2023

The closing price of the Equity Shares as on May 31, 2022 was ₹16.95 on the NSE, the trading day immediately following the day on which Board of Directors approved the Issue, i.e., on May 30, 2022.

The closing market price of our Equity Shares as on August 22, 2022, the trading day immediately prior to the date of the Draft Letter of Offer, was ₹15.90 on the NSE.

The shares of the company are frequently traded as per the definition of 2(1)(j) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

The issue price has been determined in consultation between the issuer and the lead manager.

## 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 in this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is correctly filled up. Unless otherwise permitted under the SEBI (ICDR) Regulations read with SEBI Rights Issue Circulars, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this section.

Further, in accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the January 22 – Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, the Eligible Equity Shareholders who are holding Equity Shares in physical form and are desirous of subscribing to the Issue, are advised to furnish the details of their demat account to the Registrar not later than two working days prior to the Issue Closing Date. However, SEBI, pursuant to the May 6 – Rights Issue Circular and July 24 – Rights Issue Circular has stated that in the event there are physical shareholders who have not been able to open a demat account pursuant to the January 22 – Rights Issue Circular 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 subject to conditions. For more details, see “*Application by Eligible Equity Shareholders holding Equity Shares in physical form*” beginning on page nos. **108 & 120** of this Draft Letter of Offer.

Investors are requested to note that application in this Issue can only be made through ASBA, in case of Eligible Equity Shareholders.

The Rights Entitlement on the Securities, the ownership of which is currently under dispute and including any court proceedings or are currently under transmission or are held in a demat suspense account and for which our Company has withheld the dividend, shall be held in abeyance and the Application Form along with the Rights Entitlement Letter in relation to these Rights Entitlements shall not be dispatched pending resolution of the dispute or court proceedings or completion of the transmission or pending their release from the demat suspense account. On submission of such documents /records confirming the legal and beneficial ownership of the Securities with regard to these cases on or prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Securities to the identified Eligible Equity Shareholder.

#### OVERVIEW

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

#### Important:

#### Dispatch and availability of Issue materials:

In accordance with the SEBI (ICDR) Regulations and relevant SEBI circulars on Rights Issue, our Company will send, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material (i) only to e-mail addresses of the resident Eligible Equity Shareholders who have provided their e-mail addresses; (ii) through physical delivery only to the Indian address of resident Eligible Equity Shareholders, on a reasonable effort basis, whose e-mail addresses are not available with our Company or the Eligible Equity Shareholders have not provided the valid email address to our Company; (iii) through physical delivery 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 or to their email addresses; and (iv) to the e-mail addresses of the foreign corporate or institutional shareholders.

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.

Investors can also access the Issue Materials from the websites of the Registrar, our Company and on the Stock Exchange. The Letter of Offer will also be provided by our Company to any existing Shareholder who makes a request in this regard.

Please note that Eligible Equity Shareholders, in order to update the respective Indian addresses/ email addresses/ mobile numbers in the records maintained by the Registrar or our Company, should visit <https://rights.cameoindia.com/destiny>. Investors can access this Draft Letter of Offer/Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

our Company at [www.destinyinfra.in](http://www.destinyinfra.in);  
the Registrar at <https://rights.cameoindia.com/destiny>;  
the Lead Manager at [www.finshoregroup.com](http://www.finshoregroup.com);  
the Stock Exchanges at [www.nseindia.com](http://www.nseindia.com)

Eligible Equity Shareholders who have not received the Application Form may apply, along with the requisite application money, by using the application forms available on the websites above, or on plain paper, with the same details as per the application form available online.

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar <https://rights.cameoindia.com/destiny> 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 [www.destinyinfra.in](http://www.destinyinfra.in).

Further, our Company along with the Lead Manager will undertake all adequate steps to reach out the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible. In light of the current COVID-19 situation, our Company and the Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

**Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Form or the Rights Entitlement Letters are delayed or misplaced during transit.**

The distribution of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Issue 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 Issue Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, 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 authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the 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 the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Issue Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates or the Lead Manager or their respective affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Issue 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 Equity 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 or the Lead Manager or their respective affiliates to make any filing or registration (other than in India).

**Our Company is undertaking this Issue for its Eligible Equity Shareholders and will send the Abridged Letter of Offer, the Application Form and other applicable Issue materials primarily to the email addresses of the Eligible Equity Shareholders who have provided a valid email address and an Indian address to our Company. This Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company or the Lead Manager to the Eligible Equity Shareholders who have provided their Indian address to our Company.**

#### **Process for Application in this Issue:**

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

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue on the basis of 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, see *“Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders”* on Page 107.

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

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, see *“Procedure for Application through the ASBA Process”* beginning on page no. 116 of this Draft Letter of Offer

Please note that subject to SCSBs complying with the requirements of SEBI Circular CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI Circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

**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 see “Grounds for Technical Rejection” beginning on page 123 of this Draft Letter of Offer. Our Company, the Lead Manager, the Registrar 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 Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see *“Application on Plain Paper under ASBA process”* beginning from page 118.

#### Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Equity Shares that the Eligible Equity Shareholder is entitled to. If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- (i) apply for its Equity Shares to the full extent of its Rights Entitlements; or
- (ii) apply for its Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- (iii) apply for Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- (iv) apply for its Equity Shares to the full extent of its Rights Entitlements and apply for additional Equity Shares; or
- (v) renounce its Rights Entitlements in full

### **Making of an Application through the ASBA facility:**

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 in physical mode to the Designated Branches 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 and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

The Lead Manager, our 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

### **Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders:**

#### **Rights Entitlements**

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

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., <https://rights.cameoindia.com/destiny>) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is ISIN: [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

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 Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Rights 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 Rights Equity Shares offered under Rights Issue for subscribing to the Rights Equity Shares offered under Issue.

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 clear 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., <https://rights.cameoindia.com/destiny>). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, “[●]”) opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or suspended for debit/credit or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; or (f) the ownership of the Equity Shares currently under dispute, including any court proceedings.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer.

#### **Application by Eligible Equity Shareholders holding Equity Shares in physical form:**

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of 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 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.

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

- (a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail 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 e-mail, 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; Alternatively the same can be uploaded in the web portal of the Registrar at <https://rights.cameoindia.com/destiny>.
- (b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- (c) The remaining procedure for Application shall be same as set out in **“Application on Plain Paper under ASBA process”** on page 118.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed to renounce their Rights Entitlements in the Issue. 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 Equity Shares while submitting the Application

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 Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Such resident Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in **“Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form”** beginning from page 120.

### **Application for Additional Equity Shares**

Investors are eligible to apply for additional Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in “*Basis of Allotment*” beginning on page 126.

**Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.**

Investors to kindly note that after purchasing the Rights Entitlements through On Market Renunciation / Off Market Renunciation, an application has to be made for subscribing to the Rights Equity Shares. If no such Application is made by the renouncee on or before Issue Closing Date, then such Rights Entitlements will get lapsed and shall be extinguished after the Issue Closing Date and no Rights Equity Shares for such lapsed Rights Entitlements will be credited. For procedure of Application by shareholders who have purchased the Right Entitlement through On Market Renunciation / Off Market Renunciation, please refer to the heading titled “*Procedure for Application through the ASBA process*” on page no. 126 of this Draft Letter of Offer.

### **Other important links and helpline:**

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

Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: +91-44-40020710 / 0706 / 0741

Updation of Email address/ mobile number in the records maintained by the Registrar of our Company: Cameo Corporate Services Limited <https://rights.cameoindia.com/destiny>

Updation of Indian address in the records maintained by the Registrar or our Company by email to [priya@cameoindia.com](mailto:priya@cameoindia.com).

Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: <https://rights.cameoindia.com/destiny>

Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders: <https://rights.cameoindia.com/destiny>

### **Renouncees**

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

### **Basis for this Issue**

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

### **Rights Entitlements**

Eligible Equity Shareholders whose 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, may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (<https://rights.cameoindia.com/destiny>) 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 ([www.destinyinfra.in](http://www.destinyinfra.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 (<https://rights.cameoindia.com/destiny>). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts, except in case of resident Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form (i) only to e-mail addresses of the resident Eligible Equity Shareholders who have provided their e-mail addresses; (ii) physical delivery, only to the Indian address of resident Eligible Equity Shareholders, on a reasonable effort basis, whose e-mail addresses are not available with our Company or the Eligible Equity Shareholders have not provided the valid email address to our Company; (iii) physical delivery, 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 (iv) to the e-mail addresses of the foreign corporate or institutional shareholders, and in each case who make a request in this regard.

The Letter of Offer will also be provided to any existing Shareholder who makes a request in this regard.

The Letter of Offer, the Abridged Letter of Offer and the Application Form may also be accessed on the websites of the Registrar, our Company and the Lead Manager through a link contained in the aforementioned email sent to email addresses of Eligible Equity Shareholders (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) and on the Stock Exchange websites. The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that this Letter of Offer has been filed with SEBI and the Stock Exchanges. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the 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 the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes and Application will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, that it is entitled to subscribe for the Rights Equity Shares under the laws of any jurisdiction which apply to such person.

## PRINCIPAL TERMS OF THIS ISSUE

### Face Value

Each Rights Equity Share will have the face value of ₹10/-.

### Issue Price

Each Rights Equity Share is being offered at a price of ₹10/- per Rights Equity Share in this issue. Investors will have to pay the entire offer price i.e. ₹10/- per Rights Equity Share at the time of Application.

### Ranking of Equity Shares

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

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

### **Credit Rating**

As this Issue is a rights issue of Rights Equity Shares, there is no requirement of credit rating for this Issue.

### **Mode of Payment of Dividend**

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

### **Rights Entitlements Ratio**

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 1 (One) Rights Equity Share for every 1 (One) Equity Share held by the Eligible Equity Shareholders as on the Record Date, which will be credited in the demat account of the Applicant after the Allotment.

### **Fractional Entitlements**

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 1 (One) Rights Equity Shares for every 1 (One) 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 1 (One) Equity Shares or is not in the multiple of 1 (One) Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Security if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than 1 (One) 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 Shares, 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.

### **Process of Credit of Rights Entitlements in dematerialised account**

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 (namely, "[●]") opened by our Company, for the Eligible Equity Shareholders holding Equity Shares in physical form.

In this regard, our Company has made necessary arrangements with NSDL and CDSL for the crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) till the Issue Opening Date and shall become active on the Issue Opening Date and remain active for renunciation or transfer during the Renunciation Period. 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.

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

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

### **Renunciation of Rights Entitlements**

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other relevant circulars, 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 relevant circulars, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer. For details, see **“Procedure for Renunciation of Rights Entitlements”** on page 117.

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, and SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

### **Trading of the Rights Entitlements**

In accordance with the SEBI January 22 - Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on the Stock Exchange under ISIN [●]. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. Investors shall be able to trade their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The On Market Renunciation shall take place electronically on the secondary market platform of the Stock Exchanges on T+2 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 6000 Rights Entitlement.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date. For details, see **“Procedure for Renunciation of Rights Entitlements – On Market Renunciation”** and **“Procedure for Renunciation of Rights Entitlements – Off Market Renunciation”** on page 117 and page 118, respectively.

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.

### **Payment Schedule of Rights Equity Shares**

76,94,000 Rights Equity Share is being offered at a price of ₹10/- per Rights Equity Share, for every 1 (One) Rights Equity Share allotted in this Issue. Investors will have to pay the entire offer price i.e., ₹10/- per Rights Equity Share at the time of Application.

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 be within such period as prescribed under the SEBI ICDR Regulations and SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021. 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.

### **Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue**

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. 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 procedures for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received In-principle approval from the NSE through its letter bearing reference number [●] dated [●]. Our Company will apply to the Stock Exchange for its final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed on NSE (Symbol: DESTINY) under the ISIN: INE0IG001011 in the SME segment of NSE and the trading lot is 6000. The Rights Equity shall be credited to temporary ISINs which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISINs and credited to the existing ISIN as fully paid-up Equity of our

Company and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule. In case our Company fails to obtain listing or trading permission from the Stock Exchange, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within four days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer -in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

#### **Subscription to this Issue by our Promoter and our Promoter Group**

For details of the intent and extent of subscription by our Promoter and the Promoter Group, see “*Capital Structure - Intention and extent of participation by our Promoter and Promoter Group*” on page 36.

#### **Rights of holders of Rights Equity Shares of our Company**

Subject to applicable laws, holders of the Rights Equity Shares shall have the following rights:

- The Rights Equity Shares shall rank pari-passu with the existing Equity Shares in all respects.
- The right to receive dividend, if declared;
- The right to vote in person, or by proxy, except in case of Rights Equity Shares credited to the demat suspense account for resident Eligible Equity Shareholders holding Equity Shares in physical form;
- The right to receive surplus on liquidation;
- The right to free transferability of Rights Equity Shares;
- The right to attend general meetings of our Company and exercise voting powers in accordance with law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

**Subject to applicable law and Articles of Association, holders of Rights Equity Shares shall be entitled to the above rights in proportion to amount paid-up on such Rights Equity Shares in this Issue.**

### **GENERAL TERMS OF THE ISSUE**

#### **Market Lot**

The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for the Rights Equity Shares in dematerialized mode is one lot of 6,000 Equity Shares each. The same may be modified by the SME Platform of NSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Draft Letter of Offer will be done as per the ratio approved by the Board of Directors i.e., 1:1 i.e., One Rights Equity share for every one Equity share held as on the Record Date.

The Trading of Rights Entitlements will happen as per the market of 6000.

#### **Minimum Subscription**

Pursuant to the Regulation 86 of the SEBI ICDR Regulations, as amended, the provision relating to the minimum subscription shall not be applicable to the proposed issue as the object of the proposed issue involves financing other than financing of capital expenditure for a project and our Promoter and Promoter Group have confirmed that they will subscribe to their entitlement in full and would also subscribe to any unsubscribed portion in this Issue.

#### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. Application forms would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Rights Equity Shares offered in this Issue.

#### **Nomination**

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Rights Equity Shares to be Allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

### **Arrangements for Disposal of Odd Lots**

Our Rights Equity Shares are traded in dematerialized form only and therefore the marketable lot is one lot of 6,000 Equity Shares each. Our Company has not made any arrangements for disposal of odd lots for providing liquidity in respect of odd lot shares.

### **Notices**

In accordance with the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and MCA General Circular No. 21/2020, our Company will send the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material (i) only to e-mail addresses of resident Eligible Equity Shareholders who have provided their e-mail addresses; (ii) physical delivery, only to the Indian addresses of the resident Eligible Equity Shareholders, on a reasonable effort basis, whose e-mail addresses are not available with our Company or the Eligible Equity Shareholders have not provided the valid e-mail address to our Company; (iii) physical delivery, 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 (iv) to the e-mail addresses of foreign corporate or institutional shareholders, in each case who make a request in this regard.

The Letter of Offer will also be provided by our Company to any existing Shareholder who makes a request in this regard.

In the event that e-mail addresses of the Eligible Equity Shareholders are not available with our Company or the Eligible Shareholders have not provided valid e-mail addresses to our Company, our Company will dispatch the Abridged Letter of Offer, Application Form and other applicable Issue materials by way of physical delivery as per the applicable laws to those Eligible Equity Shareholders who have provided their Indian address.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Bengali language daily newspaper with wide circulation (Bengali being the regional language of West Bengal, where our Registered and Corporate Office is situated).

The Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

### **Offer to non-resident Eligible Equity Shareholders/Investors**

As per Rule 7 of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the RBI has given general permission to Indian companies to issue rights equity shares to non-resident shareholders including additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by the RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or in part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlements Letters/ letters of Allotment/Allotment advice.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent to the e-mail address of non-resident Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, the Lead Manager and the Stock Exchanges. The Rights Committee may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and the Lead Manager.

Any non-resident shareholder who has applied in the Issue without submitting RBI approval and/or without providing Indian address, his/her application will be liable for rejection.

Please note that pursuant to Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of the RBI and to obtain prior approval from RBI for applying in this Issue.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. through email to [priya@cameoindia.com](mailto:priya@cameoindia.com).

## 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 Equity Shareholders holding Equity Shares in physical form as on the Record Date, see ***“Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form”*** on page no. 120.

The Lead Manager, our 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.

### Application Form

The Application Form for the Rights Equity Shares offered as part of this Issue would be sent to the Eligible Equity Shareholders (i) only to e-mail addresses of resident Eligible Equity Shareholders who have provided their e-mail addresses; (ii) physical delivery, only to the Indian addresses of the resident Eligible Equity Shareholders, on a reasonable effort basis, whose e-mail addresses are not available with our Company or the Eligible Equity Shareholders have not provided the valid email address to our Company; (iii) physical delivery, 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 (iv) to the e-mail addresses of foreign corporate or institutional shareholders. The Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email or physical delivery, as applicable, at least three days before the Issue Opening Date.

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

To update the respective e-mail addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit <https://rights.cameoindia.com/destiny>. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of:

- our Company at [www.destinyinfra.in](http://www.destinyinfra.in);
- the Registrar at <https://rights.cameoindia.com/destiny>;
- the Lead Manager at [www.finshoregroup.com](http://www.finshoregroup.com);
- the Stock Exchanges at [www.nseindia.com](http://www.nseindia.com)

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

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

Investors may accept this Issue and apply for the Rights Equity Shares 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 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 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 Application Form will be blocked by the SCSB;

**Please note that Applications without depository account details shall be treated as incomplete and shall be rejected,**

**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 123. Our Company, the Lead Manager, 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 an application that is available on the website of the Registrar, Stock Exchange, Lead Manager or on a plain paper with the same details as per the Application Form available online. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “*Application on Plain Paper under ASBA process*” on page 118.

#### **Options available to the Eligible Equity Shareholders**

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

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

- apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares; or
- renounce its Rights Entitlements in full.

#### **Procedure for Application through the ASBA process**

Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an 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 No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

#### **Acceptance of this Issue**

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

Please note that on the Issue Closing Date, 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.

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

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section **“Application on Plain Paper under ASBA process”** on page 118.

### **Additional Rights Equity Shares**

Investors are eligible to apply for additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. The Rights Entitlements comprise of 1 (One) Rights Equity. Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner prescribed under the section **“Basis of Allotment”** on page 126.

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

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

### **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 Exchange; or (b) through an off -market transfer, during the Renunciation Period. Such renunciation shall result in renouncement of the Rights Equity Shares. 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.

The Lead Manager and 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.**

### **(a) On Market Renunciation**

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

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under the ISIN that shall be 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 marketable lot for trading of Rights Entitlements is one lot of 6,000 Equity Shares each. For details, see **“Arrangements for Disposal of Odd Lots”** on page 114.

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

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN - [●] (for Rights Entitlement) that shall be allotted for the Rights Entitlement 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 NSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

**(b) Off Market Renunciation**

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

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

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

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants. The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

**Application on Plain Paper under ASBA process**

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB.

Applications on plain paper will not be accepted from any address outside India. Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

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

- Name of our Company, being ***“Destiny Logistics & Infra Limited”***;
- Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- Registered Folio No./DP and Client ID No.;
- Number of Equity Shares held as on Record Date;
- Allotment option – only dematerialised form;
- Number of Rights Equity Shares entitled to;
- Total number of Rights Equity Shares applied for;
- Number of additional Rights Equity Shares applied for, if any;
- Total number of Rights Equity Shares applied for;
- Total amount paid at the rate of ₹10/- each for Rights Equity Shares issued in one Rights Entitlement;
- Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- In case of non-resident Eligible Equity 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 Foreign Exchange Management (Non-debt Instruments) Rules, 2019.
- Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;
- Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- 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
- In addition, all such Eligible Equity Shareholders are deemed to have accepted the following:

*“I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the “US Securities Act”) or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States”) except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand that this application should not be forwarded to or transmitted in or to the United States at any time. I/ we understand that none of the Company, the Registrar, the Lead Managers 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 we, the Registrar, the Lead Managers or any other person acting on behalf of the Company has reason to believe is in the United States, or if such person is outside India and the United States, such person is not a corporate shareholder, or is ineligible to participate in the Issue under the securities laws of their jurisdiction. I/ We will not offer, sell or otherwise transfer any of the 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 except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.*

*I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S under the US Securities Act (“Regulation S”), or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States, and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.*

*I/ We acknowledge that the Company, the Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.” In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected. Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, the Lead Manager 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 <https://rights.cameoindia.com/destiny>.*

*I/ We acknowledge that Our Company, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors’ ASBA Accounts on or before the Issue Closing Date”.*

### **Mode of payment**

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

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor’s ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account, details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, 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.

### **Application by Eligible Equity Shareholders holding Equity Shares in physical form**

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or

our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

To update respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit at <https://rights.cameoindia.com/destiny>.

#### **Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form**

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

- a. The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail 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 e-mail, 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 at least one day before the Issue Closing Date;
- c. The Eligible Equity Shareholders can access the Application Form from:
  - our Company at [www.destinyinfra.in](http://www.destinyinfra.in);
  - the Registrar at <https://rights.cameoindia.com/destiny>;
  - the Lead Manager at [www.finshoregroup.com](http://www.finshoregroup.com);
  - the Stock Exchanges at [www.nseindia.com](http://www.nseindia.com)

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

The Eligible Equity Shareholders shall, on or before the Issue Closing Date submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Further, such resident Eligible Equity Shareholder can:

- apply for its Rights Equity Shares to the full extent of its Rights Entitlements;
- apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); and
- apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares.

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

#### **Allotment of the Rights Equity Shares in Dematerialized Form**

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 127.**

#### **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 Application Form sent to you.
- c. The 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 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 the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- f. In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section "*Application on Plain Paper under ASBA process*" on page 118.
- g. An Investor participating in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
- h. 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. 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.
- i. 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 or the Lead Manager.
- j. In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form.
- k. 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.
- l. 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.
- m. 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.
- n. In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- o. All communication in connection with Application for the Rights Equity Shares, including any change in address of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable. In case of any change in address of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Shares in physical form.
- p. Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.
- q. In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications.

- r. 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.
- s. 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.
- t. Only persons outside restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Rights Equity Shares under applicable securities laws are eligible to participate.

**Do's:**

- Ensure that the 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.
- 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.
- 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.
- 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, the Lead Manager, SCSBs or the Registrar will not be liable for any such rejections.

**Don'ts:**

- Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- Do not pay the Application Money in cash, by money order, pay order or postal order.
- Do not submit multiple Applications.

**Do's for Investors applying through ASBA:**

- Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
- 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.
- 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.
- Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.
- 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.
- Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that

the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

- Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated February 13, 2020 read with press release dated June 25, 2021 and September 17, 2021

***Don'ts for Investors applying through ASBA:***

- Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- Do not send your physical Application to the Lead Manager, 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.
- 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 Application Form having been frozen pursuant to regulatory orders.
- e. Account holder not signing the Application or declaration mentioned therein.
- f. Submission of more than one Application Forms for Rights Entitlements available in a particular demat account.
- g. Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- h. Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- i. Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
- j. Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- k. Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Draft Letter of Offer.
- l. Physical Application Forms not duly signed by the sole or joint Investors.
- m. Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- n. If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- o. Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs) or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person

submitting and/or renouncing the Application Form is (a) outside India and the United States and is a foreign corporate or institutional shareholder eligible to subscribe for the Rights Equity Share under the applicable securities laws or (b) a U.S. QIB in the United States, and in each case such person is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

- p. Applications which have evidence of being executed or made in contravention of applicable securities laws.
- q. Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.

Applications by a non-resident without the approval from RBI with respect to Rule 7 of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

#### **Depository account and bank details for Investors holding 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 DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.**

**Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.**

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

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

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

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

#### **Modes of Payment**

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

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

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

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

1. As regards the Application by non-resident Investors, the following conditions shall apply:

- Individual non-resident Indian Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, our Company and the Lead Manager.

*Note: In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form shall be sent to (i) the Indian addresses of the non-resident Eligible Equity Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company or to their email addresses; and (ii) the e-mail addresses of the foreign corporate or institutional shareholders.*

*The Letter of Offer will be provided by the Registrar on behalf of our Company or the Lead Manager to the Eligible Equity Shareholders at (i) 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 (ii) the e-mail addresses of the foreign corporate or institutional shareholders, in each case who make a request in this regard.*

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.

- Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI.

#### **Notes:**

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

In case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.

In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.

Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.

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.

Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Rights Equity Shares.

#### **Multiple Applications**

In case where multiple Applications are made in respect the Rights Entitlements using same demat account, such Applications shall be liable to be rejected. However supplementary applications in relation to further Rights Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application. Similarly, a separate Application can be made against Equity Shares held in dematerialised 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” below. Cases where Investor submits Application Forms along with plain paper or multiple plain paper Applications for same Rights Entitlements shall be treated as multiple applications.

In cases where multiple Application Forms are submitted, such Applications shall be treated as multiple applications and are liable to be rejected.

#### **Last date for Application**

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

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by the Rights Committee, the invitation to offer contained in this Draft Letter of Offer shall be deemed to have been declined and the Rights Committee shall be at liberty to dispose of the Rights Equity Shares hereby offered, as provided under the section, “*Basis of Allotment*” on page 126.



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

### 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

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

Note: The above timetable is indicative in nature and does not constitute any obligation on the Company or the Lead Manager. While our Company shall ensure that all the steps for completion of all the necessary formalities for the listing and trading of our equity shares on the main board platform of NSE are taken within the prescribed timelines, the time table may change due to various factors such as extension of the issue period by the Company or any delay in receiving final listing and trading approval from NSE. The Commencement of the trading of Equity shares will be entirely at the discretion of NSE in accordance with the applicable laws.

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

# The Board of Directors or the Rights Issue Committee 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.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date.

For details, see “*General Information - Issue Schedule*” on page 31.

Our Board / The Rights Issue Committee may however decide to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

### Basis of Allotment

Subject to the provisions contained in this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Equity Shares in the following order of priority:

- a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
- b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for additional Rights Equity Shares. The Allotment of such additional Rights

Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

- d) Allotment to Renounees who having applied for all the Rights Equity Shares renounced in their favour, have applied for additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- e) Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding. After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

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 e-mail Allotment advice, refund intimations or demat credit of Shares and/or letters of regret, along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company and the 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 15 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/locked shall be refunded/unblocked. Then blocking 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 unblocking amounts blocked using ASBA facility.

##### **Refund payment to non-residents**

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

##### **Allotment Advice or Demat Credit of Shares**

The demat credit of Shares to the respective beneficiary accounts or the demat suspense account (pending receipt of demat account details for Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

### **Receipt of the Rights Equity Shares in Dematerialized Form**

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO

(A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR

(B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR

(C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form.

**INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.**

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.
7. Renounees 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 -Offer Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in

this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Offer are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against Shares 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: (a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

#### **Procedure for Applications by AIFs, FVCIs and VCFs**

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. 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 the 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 issuance of the Rights Equity Shares to Restricted Investors will also require a 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 of the Government of India is required and such 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 certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

#### **Impersonation**

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

*“Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its Shares; 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 Shares; or otherwise induces directly or indirectly a company to allot, or register any transfer of, Shares 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 ₹ 10 lakhs 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 ₹10 lakhs 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 ₹ 50 lakhs or with both.

#### **Payment by stockinvest**

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stockinvest scheme has been withdrawn. Hence, payment through stockinvest 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 Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

The Board of Directors/Rights 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 cases where refunds are applicable, such refunds shall be made within a period of 15 days. In case of failure to do so, our Company and the Directors who are “officers in default” shall pay interest at the prescribed rate. 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 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

#### **Undertakings by our Company**

Our Company undertakes the following:

- The complaints received in respect of the issue shall be attended to by our Company expeditiously and satisfactorily.
- All steps for completion of the necessary formalities for listing and commencement of trading at all stock exchanges where the Right Equity Shares are to be listed are taken within the time limit specified by the SEBI.
- The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the issue by our Company.
- Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

- Where release of block on the application amount for unsuccessful bidders or part of the application amount in case of proportionate allotment, a suitable communication shall be sent to the applicants.
- Adequate arrangements shall be made to collect all ASBA applications

Utilisation of Issue Proceeds:

Our Board declares that:

- A. All monies received out of issue of this Right Equity Issue to the public shall be transferred to a separate bank account.
- B. Details of all monies utilized out of this Right Issue referred to in clause (A) above shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had been utilised; and
- C. Details of all unutilized monies out of this Right Issue referred to in clause (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

### **Important**

Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.

All enquiries in connection with this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed “**DESTINY LOGISTICS & INFRA LIMITED – RIGHT ISSUE**” on the envelope and postmarked in India or in the email) to the Registrar at the following address:

### **CAMEO CORPORATE SERVICES LIMITED**

Subramanian Building, No.1 Club House Road Chennai 600002, Tamil Nadu,

**Email:** [priya@cameoindia.com](mailto:priya@cameoindia.com)

**Website:** <https://rights.cameoindia.com/destiny>

**Investor Grievance Email Id:** [investor@cameoindia.com](mailto:investor@cameoindia.com)

**Contact Details:** +91-44-40020700 / 0710 / 0706 / 0741; Fax Number: 91-44-28460129

**Contact Person:** Sreepriya K

**SEBI Registration No:** INR000003753

**CIN:** U67120TN1998PLC041613

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 (<https://rights.cameoindia.com/destiny>). Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties are (73388 08559 or 91-44-4002 0710).

This Issue will remain open for a minimum 7 (Seven) days. However, the Board of Directors or the Rights 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 Closing 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 manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“FDI”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“DPIIT”), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“FDI Policy”) by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates 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 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 between FEMA and such policy pronouncements, FEMA prevails.

As per Rule 7 of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the RBI has given general permission to Indian companies to issue rights securities to non-resident shareholders including additional rights securities. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by the RBI, non-residents may, inter alia, (i) subscribe for additional securities over and above their rights entitlement; (ii) renounce the securities offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the securities renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be inter alia, subject to the conditions imposed from time to time by the RBI under the FEMA in the matter of refund of Application Money, Allotment of Rights Equity Shares and issue of Allotment advice. This Draft Letter of Offer, Abridged Letter of Offer, Rights Entitlement Letter and Application Form shall be dispatched to non-resident Eligible Equity Shareholders at their Indian address only. If an NR or NRI Investors has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the Application. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the allotment of Rights Equity Shares. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

As per the existing policy of the Government of India, erstwhile OCBs cannot participate in this Issue.

The Rights Entitlements, Rights Equity Shares and Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to 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 Entitlements and Rights Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers, and sale occur. The Rights Entitlements, Rights Equity Shares and Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are 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. Applicants are advised to consult their legal counsel, to make their independent investigations and ensure that Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares.

## SECTION X – STATUTORY AND OTHER INFORMATION

**A) 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 where the credit of the Rights Entitlements returned/reversed/failed.**

**B) *Material Contracts and Documents for Inspection***

The copies of the following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the below-mentioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all working days from the date of this Draft Letter of Offer until the Issue Closing Date.

### **A. Material Contracts to the Issue**

1. Issue Agreement dated June 1, 2022 entered into between our Company and the Lead Manager.
2. RTA Agreement dated July 19, 2022 entered into between our Company and the Registrar to the Issue.
3. Bankers to the Issue Agreement dated [●] among our Company, the Lead Manager, the Registrar to the Issue and the Banker to the Issue.

### **B. Material Documents**

1. Certified true copies of the Memorandum of Association and Articles of Association of our Company.
2. Certificate of Incorporation of our Company dated July 28, 2011 and September 07, 2021 issued by Registrar of Companies, West Bengal.
3. Copy of the resolution passed at the meeting of the Board of Directors dated May 30, 2022 authorizing the Rights Issue.
4. Resolution passed by our Board dated [●] determining the Record Date.
5. Resolution of our Board dated August 23, 2022, approving the Issue and finalizing the terms of the Issue including Issue Price and Rights Entitlement ratio.
6. Consents of our Directors, Company Secretary, Compliance Officer, Statutory Auditors, the Lead Manager, legal counsel to the Issue and the Registrar to the Issue for inclusion of their names in this Draft Letter of Offer to act in their respective capacities.
7. Annual Reports of our Company for Fiscals 2021, 2020, 2019, 2018 and 2017. Audited Financial statement for the financial year ended 31<sup>st</sup> Mar, 2022 as reported to the Stock Exchange.
8. The restated audit report dated July 04<sup>th</sup>, 2022 of the Statutory Auditor, on our Company's Restated Financial Statements for the financial years 2019-20, 2020-21, 2021-22, included in this Draft Letter of Offer.
9. Statement of Tax Benefits report by our statutory auditors, M/s. Bijan Ghosh & Associates, Chartered Accountants, dated August 05, 2022.
10. In-principle approval dated [●] issued by NSE, respectively under Regulation 28(1) of the SEBI Listing Regulations.

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Eligible Equity Shareholders, subject to compliance with applicable law.



## DECLARATION

We certify and declare that all relevant provisions of the Companies Act and the rules, regulations/guidelines issued by the Government of India, or the regulations/guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Letter of Offer is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Draft Letter of Offer are true and correct.

### SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
<b>Mrs. Rekha Bhagat</b> DIN: 03564763 Designation: Managing Director	Sd/-
<b>Mr. Mithilesh Kumar Jha</b> DIN: 02229913 Designation: Executive Director	Sd/-
<b>Mr. Jugal Kishore Bhagat</b> DIN: 02218545 Designation: Non-Executive Director	Sd/-
<b>Mr. Shir Sagar Pandey</b> DIN: 07656863 Designation: Non-Executive Independent Director	Sd/-
<b>Ms. Sweta Chaurasia</b> DIN: 09271786 Designation: Non-Executive Independent Director	Sd/-

<b>SIGNED BY THE COMPANY SECRETARY &amp; COMPLIANCE OFFICER</b>  Sd/-  _____ <b>Mr. Mustafa Rangwala</b>	<b>SIGNED BY CHIEF FINANCIAL OFFICER</b>  Sd/-  _____ <b>Mr. Prasenjit Biswas</b>
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**Dated: August 23, 2022**

**Place: Kolkata, West Bengal**