



Draft Prospectus  
Dated: September 13, 2021  
Please read section 26 & 32 of the  
Companies Act, 2013  
100% Fixed Price Issue

**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. We have received the Certificate of commencement of business on August 17, 2011, issued by the Registrar of Companies, West Bengal. Subsequently, name of the company changed to “Destiny Logistics & Infra Limited” vide fresh certificate of incorporation dated September 07, 2021. For further details, please refer to section titled “Our History and Certain Corporate Matters” beginning on page no 75 of this Draft Prospectus.

**Registered office:** 375, Dakshindari Road, Kolkata – 700 048, West Bengal, India  
**Contact Person:** Mr. Mustafa Rangwala, Company Secretary & Compliance Officer; **Tel No:** 033-40087463  
**E-Mail ID:** cs@destinyinfra.in ; **Website:** www.destinyinfra.in; **CIN:** U63090WB2011PLC165520

**OUR PROMOTERS: (I) MR. JUGAL KISHORE BHAGAT AND (II) MRS. REKHA BHAGAT**

THE ISSUE	
<p><b>INITIAL PUBLIC OFFER OF 26,94,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (“EQUITY SHARES”) OF DESTINY LOGISTICS &amp; INFRA LIMITED (THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹20/- PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF ₹10/- PER EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING TO ₹538.80 LAKHS (“THE ISSUE”), OF WHICH 1,38,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹20/- PER EQUITY SHARE, AGGREGATING TO ₹27.60 LAKHS WILL BE RESERVED FOR SUBSCRIPTIONS BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 25,56,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹20/- PER EQUITY SHARE, AGGREGATING TO ₹511.20 LAKHS IS HERE IN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 35.01% AND 33.22% RESPECTIVELY OF THE POST ISSUE PAIDUP EQUITY SHARE CAPITAL OF THE COMPANY.</b></p>	
<p><b>THE FACE VALUE OF THE EQUITY SHARE IS ₹10/- EACH AND THE ISSUE PRICE IS ₹20/- i.e., 2 TIMES OF THE FACE VALUE OF THE EQUITY SHARES. THE MINIMUM LOT SIZE IS 6,000 EQUITY SHARES</b></p>	
<p>THIS OFFER IS BEING MADE IN TERMS OF CHAPTER IX OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIRMENT) REGULATIONS, 2018 (THE “SEBI ICDR REGULATIONS”) READ WITH RULE 19(2)(b)(i) OF SCRR AS AMENDED. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET OFFER TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253(2) OF THE SEBI (ICDR) REGULATIONS, 2018. (For further details please see “The Issue” beginning on page no. 30 of this Draft Prospectus.) A copy will be delivered for filing to the Registrar of Companies as required under sub-section 4 of Section 26 of the Companies Act, 2013.</p>	
<p>In terms of Regulation 256 of SEBI ICDR Regulations read with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and Unified Payments Interface (UPI) introduced vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 all the potential investors shall participate in the issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor. (For details in this regard, specific attention is invited to “Issue Procedure” beginning on page no. 142 of this Draft Prospectus.)</p>	
<p><b>RISK IN RELATION TO THE FIRST ISSUE</b></p>	
<p>This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the equity shares is ₹10/- each and the issue price is 2 times of face value of the equity share. The issue price should not be taken to be indicative of the market price of the equity shares after the equity shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our company or regarding the price at which the equity shares will be traded after listing.</p>	
<p><b>GENERAL RISKS</b></p>	
<p>Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of “Risk factors” beginning on page no. 17 of this Draft Prospectus.</p>	
<p><b>ISSUER’S ABSOLUTE RESPONSIBILITY</b></p>	
<p>The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this offer document contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the offer document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.</p>	
<p><b>LISTING</b></p>	
<p>The Equity Shares of our company issued through this Draft Prospectus are proposed to be listed on the <b>EMERGE Platform of National Stock Exchange of India Limited (“NSE EMERGE”)</b>. In terms of the Chapter IX of the SEBI ICDR Regulations, as amended from time to time, our company has received “in-principal” approval letter dated [●] from NSE for using its name in this offer document for listing of our shares on the NSE EMERGE. For the purposes of the issue, the <b>Designated Stock Exchange</b> will be <b>National Stock Exchange of India Limited (“NSE”)</b>.</p>	
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> 033 – 22895101 <b>Email:</b> ramakrishna@finshoregroup.com <b>Contact Person:</b> Mr. S. Ramakrishna Iyengar <b>Website:</b> www.finshoregroup.com <b>Investor Grievance Email:</b> info@finshoregroup.com <b>SEBI Registration No:</b> INM000012185 <b>CIN No:</b> U74900WB2011PLC169377</p>	 <p><b>CAMEO CORPORATE SERVICES LIMITED</b> "Subramanian Building", #1, Club House Road, Chennai - 600 002, India <b>Telephone:</b> +91-44-40020700, 28460390 <b>Facsimile:</b> +91-44-28460129 <b>Email:</b> investor@cameoindia.com <b>Contact Person:</b> Mr. R.D. Ramasamy, Director <b>Website:</b> www.cameoindia.com <b>SEBI Registration Number:</b> INR000003753 <b>CIN No:</b> U67120TN1998PLC041613</p>
ISSUE PROGRAMME	
<b>ISSUE OPEN ON: [●]</b>	<b>ISSUE CLOSE ON: [●]</b>

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**SECTION I: DEFINITIONS AND ABBREVIATIONS****DEFINITION AND ABBREVIATIONS**

This draft prospectus 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.

Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this draft prospectus, and references to any statute or regulations or policies will include any amendments or re-enactments thereto, from time to time. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

**General Terms**

TERMS	DESCRIPTIONS
“Destiny Logistics & Infra Limited”, “Destiny Logistic Limited”, “DLIL”, “Destiny”, “The Company”, “Our Company”, “Issuer 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 – 700 048, West Bengal, India.
“we”, “our” or “us”	Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries, Associates and Group Companies.
Our Promoters or Promoters of the Company	The promoters of our company being “ <b>Mr. Jugal Kishore Bhagat</b> ” and “ <b>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 under Section titled “Our Promoters and Promoter Group”

**Company Related Terms**

TERMS	DESCRIPTIONS
“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>Kumar Roybarman Prasanta &amp; Associates</b> ” Chartered Accountants, having its office at 140A/4, N.S.C. Bose Road, Regent Estate, Kolkata- 700092.
Audit Committee	Audit Committee of our Company constituted in accordance with Companies Act, 2013 as disclosed in the Section titled “ <b>Our Management</b> ” on page no. 78 of this draft prospectus.
“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 U63090WB2011PLC165520 of our Company
Companies Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
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 in accordance with Companies Act, 2013 as disclosed in the Section titled “ <b>Our Management</b> ” on page no. 78 of this draft prospectus.
DIN	Directors Identification Number.
Director/Director(s)	The directors of our Company, unless otherwise specified
ED	Executive Director
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 prospectus, which are covered under the applicable accounting standards and other companies as considered material by our Board, as identified in “Our Group Companies”
HUF	Hindu Undivided Family.
IBC	The Insolvency and Bankruptcy Code, 2016
IFRS	International Financial Reporting Standards



TERMS	DESCRIPTIONS
Ind AS	Indian Accounting Standard
Ind GAAP	Generally Accepted Accounting Principles in India.
Import	Import means bringing goods into India from a place outside India
Independent Director	Non-executive & Independent Director as per the Companies Act, 2013
IT Act	The Income Tax Act, 1961 as amended till date
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 no. 78 of this draft prospectus.
MD	Managing Director of our company being <b>“Mrs. Rekha Bhagat”</b> .
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board in accordance with the requirements of the SEBI (ICDR) Regulations
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 in the Section titled <b>“Our Management”</b> on page no. 78 of this draft prospectus.
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Peer Review Auditor	Independent Auditor having a valid Peer Review certificate in our case being <b>“M/s. Bijan Ghosh &amp; Associates”</b> Chartered Accountants, having its office at C-16, Green Park, P-Majumder Road, Kolkata-700078.
Promoters	Shall mean promoters of our Company as mentioned in this draft prospectus.
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as enlisted in the section titled <b>“Our Promoter and Promoter Group”</b> beginning on page no. 88 of this draft prospectus.
Registered Office	Registered Office of the Company is presently situated at 375, Dakshindari Road, Kolkata – 700 048, West Bengal, India.
Restated Financial Statement	Audited Financial Statements for the financial Years ended 31 <sup>st</sup> March 2021, 31 <sup>st</sup> March 2020 and 31 <sup>st</sup> March 2019 as restated in accordance with SEBI (ICDR) Regulations, comprises of (i) Financial Information as per Restated Summary Financial Statements and (ii) Other Financial Information.
RoC/Registrar of Companies	The Registrar of Companies, West Bengal.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
Shareholders	Shareholders of our Company
Subscriber to MOA	Initial Subscriber to MOA
WTD	Whole Time Director
Stakeholders Relationship Committee	Stakeholder’s relationship committee of our Company constituted in accordance with Companies Act, 2013.
Willful Defaulter(s)	A person or an issuer who or which is categorized as a willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India, as defined under Regulation 2(1)(III) of SEBI ICDR Regulations 2018.

**Issue Related Terms**

TERMS	DESCRIPTIONS
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 the 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.
Allottee(s)	A successful Applicant (s) to whom the Equity Shares are being/have been issued/allotted.
Applicant/Investor	Any prospective investor who makes an application pursuant to the terms of the draft prospectus and the Application Form.
Application	An indication to make an offer during the Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations.



TERMS	DESCRIPTIONS
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Application Form	The form in terms of which an Applicant shall make an Application and which shall be considered as the application for the Allotment pursuant to the terms of this draft prospectus.
Application Supported by Blocked Amount or ASBA or UPI	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid authorizing a SCSB to block the Bid Amount in the ASBA Account including the bank account linked with UPI ID. Pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a Retail Individual Investor which is blocked upon acceptance of a UPI Mandate Request made by the Retail Individual Investors using the UPI Mechanism
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 prospectus.
ASBA Forms	An application form (with or without the use of UPI, as may be applicable), whether physical or electronic, used by ASBA Applicants, which will be considered as the application for Allotment in terms of the draft prospectus.
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
Banker to the Issue	Bank which are clearing members and registered with SEBI as banker to an issue and with whom the Public Issue Account will be opened, in this case being “[●]”.
Banker to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Lead Manager, the Registrar and the Banker to the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, as described in the Section titled, “ <i>Issue Procedure - Basis of Allotment</i> ” beginning on page no. 142 of this draft prospectus.
Broker Centers	Broker centres of the Registered Brokers where Bidders (other than Anchor Investors) could submit the ASBA Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the websites of the Stock Exchange.
Broker to the Issue	All recognized members of the stock exchange would be eligible to act as the Broker to the Issue.
Business Day	Monday to Saturday (except 2nd & 4th Saturday of a month and 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 co-ordinate 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.
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 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 Public Issue Account, as appropriate in terms of the draft prospectus and



TERMS	DESCRIPTIONS
	the aforesaid transfer and instructions shall be issued only after finalisation 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 is mentioned on website of the stock exchange as eligible for this activity).
Designated Stock Exchange	National Stock Exchange of India Limited
Draft Prospectus	The Draft Prospectus dated September 13, 2021 issued in accordance with Section 26 & 32 of the Companies Act, 2013 filed with Designated Stock Exchange.
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 prospectus 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 draft prospectus 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 of 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
General Information Document / GID	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time.
GIR Number	General Index Registry Number.
IPO	Initial Public Offering
Issue/Public Issue/Issue Size Initial Public Issue/IPO	Public issue of 26,94,000 Equity Shares of face value of ₹10/- each of our Company for cash at a price of ₹20/- per Equity Share at par aggregating to ₹538.80 Lakhs by our Company, in terms of this draft prospectus.
Issue Agreement	The Issue Agreement dated 4 <sup>th</sup> September, 2021 between our Company and Lead Manager.
Issue Closing Date	The date on which Issue Closes for Subscription.
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 Equity Shares are being issued by our Company being ₹20/- per Equity Share.
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds please refer to Section titled " <i>Objects of the Issue</i> " beginning on page no. 50 of this draft prospectus.
Lead Manager/LM	means a merchant banker registered with the Board and appointed by the issuer to manage the issue and in case of a book-built issue, the lead manager(s) appointed by the issuer shall act as the book running lead manager(s) for the purposes of book building. Lead Manager to the Issue, in this case being " <i>Finshore Management Services Limited</i> ".
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the NSE.
Market Maker	Member Brokers of NSE who are specifically registered as Market Makers with the NSE. In our case, "[●]" is the Market Maker to the Issue.
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.
Market Maker Reservation Portion	Up to 1,38,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹20/- per Equity Share aggregating to ₹27.60 Lakhs only.
Mutual Fund(s)	Mutual fund (s) registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.



TERMS	DESCRIPTIONS
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of up to 25,56,000 Equity Shares of face value ₹10/- each for cash at an Issue price of ₹20/- per Equity Share (the “Issue Price”), aggregating up to ₹511.20 Lakhs Only.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company.
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)
Non-Institutional Investors or NIIs	All Applicants, including sub-accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Investors and who have applied for Equity Shares for an amount of more than ₹2.00 Lakh (but not including NRIs other than Eligible NRIs).
NSE	National Stock Exchange of India Limited
NSE Emerge	The Emerge platform of NSE for listing of Equity Shares
Other Investor	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.
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.
Prospectus	The prospectus dated [●] filed with the RoC in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013 and SEBI ICDR Regulations.
Public 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.
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/Registrar to this Issue/RTI	Registrar to the Issue in our case being “ <b>Cameo Corporate Services Limited</b> ”.
Registrar Agreement	The agreement dated August 31, 2021 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/Categories	Categories of persons eligible for making application under reservation portion.
Retail Investors/RIIs	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs)
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="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
Specified Locations	Collection Centers where the SCSBs shall accept application forms, a list of which is available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.
Sponsor Bank	[●] Bank, registered with SEBI which is appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and /





TERMS	DESCRIPTIONS
	or payment instructions of the retail investors using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars
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 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.
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/OW/P/2021/2481/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI Pin	Password to authenticate UPI transaction
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI linked mobile application and by way of an SMS on directing the RIB to such UPI linked mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment. In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> ) and ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> ) respectively, as updated from time to time
UPI Mechanism	The bidding mechanism that may be used by a Retail Individual Investor in accordance with the UPI Circulars to make an ASBA Bid in the Issue
Underwriters	Underwriter to this issue being " <b>Finshore Management Services Limited</b> "
Underwriting Agreement	The Underwriting Agreement dated [●] entered into between our Company and the Underwriters.
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 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.

**Conventional and General Terms**

<b>TERMS</b>	<b>DESCRIPTIONS</b>
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.
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	Consolidated 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.
FCNR Account	Foreign currency non-resident account.
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there under and as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations 2017 and as amended from time to time.
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.
Income Tax Act or the I.T. Act	The Income Tax Act, 1961.
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.
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 prospectus.
NRE Account	Non-resident external account.
NRO Account	Non-resident ordinary account.
RBI Act	Reserve Bank of India Act, 1934.
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
SEBI (LODR) Regulations/ SEBI Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.



TERMS	DESCRIPTIONS
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.

**Technical and Industry related terms**

TERMS	DESCRIPTIONS
ASSOCHAM	Associated Chambers of Commerce of India
BPM	Business Process Management
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
ERW	Electric Resistance Welded
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
M. S	Mild Steel
MSMEs	Micro, Small and Medium Enterprises
MVC	Model View Controller
MYEA	Mid-Year Economic Analysis
NITI Aayog	National Institution for transforming India
NMP	National Manufacturing Policy
PMA	Preferential Market Access
PSUs	Private Sector Units
RBI	Reserve Bank of India
RTD	Ready to Drink Beverages
SED	Strategic Engineering Division
SEZ	Special Economic Zone
SMB	Server Message Block
TFA	Trade Facilitation Agreement
TMT	Thermo Mechanical Treatment
US	United States
WPI	Wholesale Price Index

**Abbreviations**

TERMS	DESCRIPTIONS
₹ or ₹ 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.
CARO	Companies (Auditor's Report) Order, 2003.
CDSL	Central Depository Services (India) Limited.
CEO	Chief Executive Officer.
CIN	Corporate Identity Number.
CLB	Company Law Board.
CrPC	Criminal Procedure Code, 1973, as amended.
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.
GAAR	General anti avoidance rules.
GBP	Great Britain Pound.
GIR	General index register.
GoI/Government	Government of India.
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.
NSE	National Stock Exchange of India Limited
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.



TERMS	DESCRIPTIONS
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.
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America.
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 prospectus will have the same meaning as assigned to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, the terms defined -

- a) In the section titled “**Description of Equity Shares and Terms of the Articles of Association**” beginning on page 161 of this draft prospectus, shall have the meaning given to such terms in that section;
- b) In the chapter titled “**Financial Statements as Restated**” beginning on page 94 of this draft prospectus, shall have the meaning given to such terms in that chapter;
- c) In the section titled “**Risk Factors**” beginning on page 17 of this draft prospectus, shall have the meaning given to such terms in that section;
- d) In the chapter titled “**Statement of Possible Tax Benefits**” beginning on page 56 of this draft prospectus, shall have the meaning given to such terms in that chapter; and
- e) In the chapter titled “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on page 114 of this draft prospectus, shall have the meaning given to such terms in that chapter.



## 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 prospectus are to the Republic of India.

Unless stated otherwise, all references to page numbers in this draft prospectus are to the page numbers of this draft prospectus.

In this draft prospectus, the terms “the Company”, “our Company”, “Issuer”, “Issuer Company”, “Destiny”, “DLIL”, “Destiny Logistic Limited” and “Destiny Logistics & Infra Limited” unless the context otherwise indicates or implies, refers to “Destiny Logistics & Infra Limited”.

In this draft prospectus, the terms “we”, “us”, “our”, unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries, Associates and Group Companies, if any.

In this draft prospectus, 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 prospectus, 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 information in this draft prospectus are extracted from the restated Financial Statements of our Company as of and for the financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with Indian GAAP and the Companies Act, and restated in accordance with the SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled “*Financial Statements as Restated*” beginning on page no. 94 of this draft prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12 months period ended 31st March of that year. In this draft prospectus, 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.

There are significant differences between Indian GAAP, Ind AS, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the draft prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the draft prospectus should accordingly be limited.

Unless otherwise indicated, any percentage amounts, as set forth in this draft prospectus, including in the Sections titled “*Risk Factors*”, “*Our Business*” and “*Management's Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page no. 17, 64, and 114 respectively, have been calculated on the basis of the restated audited financial statements of our Company included in this draft prospectus.

### 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 “£” or “GBP” are to Great Britain Pound, the official currency of the United Kingdom. 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 prospectus in “Lakh” units. One lakh represents 1,00,000. In this draft prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off.

All references to ‘million’ / ‘Million’ / ‘Mn’ refer to one million, which is equivalent to ‘ten lacs’ or ‘ten lakhs’, the word ‘Lacs / Lakhs / Lac’ means ‘one hundred thousand’ and ‘Crore’ means ‘ten million and ‘billion / bn./ Billions’ means ‘one hundred crores’



### **Industry and Market Data**

Unless stated otherwise, industry and market data used throughout this draft prospectus has been derived from Ministry of Statistics and Programme Implementation (MOSPI), RBI, Press Information Bureau, Department of Industrial Policy & Promotion, India Brand Equity Foundation and industry publications etc. 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 prospectus 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 prospectus 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 no. 17 of this draft prospectus. Accordingly, investment decisions should not be based on such information.

### **Exchange Rates**

This draft prospectus 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 STATEMENT

The Company has included statements in this draft prospectus 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 prospectus (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, 58, 64 and 114, respectively, of this draft prospectus.

The forward-looking statements contained in this draft prospectus 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:

- Impact of covid-19 on our business 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;
- 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;
- 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 Exchanges. Our Company will ensure that investors are informed of material developments in relation to statements about our Company in this draft prospectus until the Equity Shares are allotted to the investors.



**SECTION II: SUMMARY OF DRAFT PROSPECTUS**
**(A) PRIMARY BUSINESS OF OUR COMPANY AND THE INDUSTRY IN WHICH IT OPERATES:**
**❖ 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 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. (For Detailed information on our business, please refer to chapter titled **“Our Business”** beginning from page no. 64 of this draft prospectus.)

**❖ Summary of the industry in which our Company operates:**
**Indian Logistics Industry**

Under the Union Budget 2021-22, the Government of India has allocated Rs.108,230 crore to the Ministry of Road Transport and Highways. The Road Transport Sector accounts for about 87% of passenger traffic and 60% of freight traffic movement in the country. 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. As per research reports, the estimated size of the Indian logistics market is pegged at US\$ 215 billion and is growing at a CAGR of 10.5%. Logistics will witness an uptick post covid as the focus will progressively be on the entire supply chain of doorstep delivery. (For further detailed information, please refer to chapter titled **“Industry Overview”** beginning from page no. 58 of this draft prospectus.)

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

(I) Mr. Jugal Kishore Bhagat and (II) Mrs. Rekha Bhagat are the promoters of our company. (For further details, please refer chapter **“Our Promoters and Promoters Group”** beginning from page no. 88 of this draft prospectus.)

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

Initial Public issue of 26,94,000 equity shares of face value of ₹10/- each (“Equity Shares”) of Destiny Logistics & Infra Limited (“The Company” or “The Issuer”) for cash at a price of ₹20/- per equity share, aggregating to ₹538.80 Lakhs (“The Issue”), of which 1,38,000 equity shares of face value of ₹10/- each for cash at a price of ₹20/- per equity share, aggregating to ₹27.60 lakhs will be reserved for subscriptions by the Market Maker to the issue (The “Market Maker Reservation Portion”). The issue less market maker reservation portion i.e., Issue of 25,56,000 equity shares of face value of ₹10/- each for cash at a price of ₹20/- per equity share, aggregating to ₹511.20 lakhs is here in after referred to as the “Net Issue”. The issue and the net issue will constitute 35.01% and 33.22% respectively of the post issue paid up equity share capital of the company.

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

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

Sl. No.	Particulars	Amount (₹ in Lakhs)	In %
1	To Meet working capital requirement	440.00	81.66%
2	Public issue expenses	38.80	7.20%
3	General corporate purpose	60.00	11.14%
<b>Total: Gross Issue Proceeds</b>		<b>538.80</b>	<b>100.00%</b>

For further details, please refer chapter **“Objects of the Issue”** beginning from page no. 50 of this draft prospectus.

**(E) PRE-ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTERS GROUP AS ON THE DATE OF THIS DRAFT PROSPECTUS:**

Particulars	Pre-Issue Shareholding	
	Number of Shares	Percentage holding
<b>Promoters</b>		
Jugal Kishore Bhagat	37,91,273	75.83%
Rekha Bhagat	11,94,727	23.89%
<b>Total Promoters Shareholding (A)</b>	<b>49,86,000</b>	<b>99.72%</b>
<b>Promoter Group</b>		
NIL	0.00	0.00%
<b>Total Promoters Group Shareholding (B)</b>	<b>0.00</b>	<b>0.00%</b>
<b>Total Promoters &amp; Promoters Group (A+B)</b>	<b>49,86,000</b>	<b>99.72%</b>

**(F) SUMMARY OF RESTATED FINANCIAL STATEMENTS: (Amount in ₹)**

Particulars	31-03-2021	31-03-2020	31-03-2019
Total Share Capital	50,00,000	50,00,000	50,00,000
Total Net Worth	1,00,14,950	69,84,937	64,73,507
Total Revenue	10,05,78,758	6,74,96,520	6,72,96,520
Profit After Tax	30,30,013	5,11,430	4,77,562
Earnings Per Share (Basis & Diluted)	6.06	1.02	0.96
Net Asset Value per equity shares	20.03	13.97	12.95
Total Borrowings	3,74,98,343	90,49,901	90,81,555

For further details, please refer chapter “Financial statement as Restated” beginning from page no. 94 of this draft prospectus.

**(G) AUDITOR QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENT:**

The audited financial report of Destiny Logistics & Infra Limited, for the financial year ended on 31<sup>st</sup> March 2021, 31<sup>st</sup> March 2020 and 31<sup>st</sup> March 2019 does not contain any qualification which have not been given effect to in Restated Financial Statement.

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

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

Sr No.	Outstanding Litigations	Number of Matter	Financial Implications to the Extent Quantifiable (Rs. in Lakhs)
<b>1.</b>	<b>Filed against the Company</b>		
	<i>Direct Tax / Indirect Tax</i>	Nil	Nil
<b>2.</b>	<b>Filed against our Directors &amp; Promoters</b>		
	<i>Criminal Matters</i>	2	60.13
	<i>Civil Matters</i>	2	--
	<i>Direct Tax / Indirect Tax</i>	3	--
<b>3.</b>	<b>Filed by our Directors &amp; Promoters</b>		
	<i>Civil Matters</i>	4	-

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 Litigation and Material Development” beginning from page no. 118 of this draft prospectus.

**(I) CROSS REFERENCE TO THE SECTION TITLED RISK FACTORS:**

Investments 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 offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this draft prospectus. For the details pertaining to the internal and external risk factors relating to the Company, kindly refer to the chapter titled “Risk Factors” beginning on page no. 17 of this draft prospectus.

**(J) SUMMARY OF CONTINGENT LIABILITIES:**

As per restated financial statement, there are no contingent liabilities which may occur in future as on the date of this draft prospectus.

**(K) SUMMARY OF RELATED PARTY TRANSACTIONS FOR LAST 3 YEARS:**

For details pertaining to Related Party Transactions, kindly refer to the chapter titled “Financial Statements as Restated – Related Party Transactions” beginning on page no. 111 of this draft prospectus

**(L) DETAILS OF FINANCING ARRANGEMENT:**

There are no financing arrangements whereby the promoters, member of promoter group, the directors of the company which is a promoter of the issuer, the directors of our company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the Business of the financing entity during the period of six months immediately preceding the date of filing of this draft prospectus.

**(M) WEIGHTED AVERAGE PRICE AT WHICH EQUITY SHARES WAS ACQUIRED BY OUR PROMOTERS IN THE LAST ONE YEAR FROM THE DATE OF THIS DRAFT PROSPECTUS:**

Sl. No.	Name of the Promoter	No. of Equity Shares Acquired during last one Year	Weighted Average Price (In ₹ per Equity Share)
1	Jugal Kishore Bhagat	35,21,273	20.00
2	Rekha Bhagat	11,78,727	20.00

*The Weighted Average Price for Equity Shares acquired during last one year has been calculated by taking into account the amount paid by the Promoter and in lieu of share swap to acquire the Equity Shares of the Company and the net cost of acquisition has been divided by total number of shares acquired during last one year from the date of this draft prospectus. For further details, please refer to the chapter titled “Capital Structure” beginning on page no. 40 of this draft prospectus.*

**(N) AVERAGE COST OF ACQUISITION OF EQUITY SHARES FOR PROMOTERS:**

Sl. No.	Name of the Promoter	No. of Equity Shares Held	Avg. Cost of Acquisition (In ₹ per Equity Share)
1	Mr. Jugal Kishore Bhagat	37,91,273	19.29
2	Mrs. Rekha Bhagat	11,94,727	18.19

*The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of Subscription to Equity Shares at the time of incorporation and subsequent conversion of loan and preferential issue in lieu of share swap and the net cost of acquisition has been divided by total number of shares held as on date of the draft prospectus. For further details, please refer to the chapter titled “Capital Structure” beginning on page no. 40 of this draft prospectus.*

**(O) DETAILS OF PRE-IPO PLACEMENT:**

Our Company has not made any Pre-IPO Placement.

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

Our company has issued 25,00,000 Equity shares for consideration other than cash (as share swap) in the last one year from the date of this draft prospectus. *For further details pertaining to Issue of Equity Shares for consideration other than cash, kindly refer to the chapter titled “Capital Structure” beginning on page no. 40 of this draft prospectus.*

**(Q) DETAILS OF SPLIT/CONSOLIDATION OF OUR EQUITY SHARES IN THE LAST ONE YEAR FROM THE DATE OF THIS DRAFT PROSPECTUS:**

Our Company has not undertaken any split or consolidation of Equity Shares in the last one year till the date of this draft prospectus.

## SECTION III: RISK FACTORS

### RISK FACTOR

Any investment in equity securities involves a high degree of risk. Investor should carefully consider all the information in this draft prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a more complete understanding, you should read this section together with Sections titled, “Our Business”, “Particulars of the Issue”, “Industry Overview”, “Financial Statement as Restated”, “Outstanding Litigation and Other Material Developments”, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page no. 64, 50, 58, 94, 118, and 114 respectively, as well as the other financial and statistical information contained in this draft prospectus.

Any of the following risks, as well as the other risks and uncertainties discussed in this draft prospectus, could have an adverse effect on our business, financial condition, results of operations and prospects and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or a part of your investment. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.

This draft prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements because of certain factors, including the considerations described below and elsewhere in this draft prospectus.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. You should not invest in this Issuing unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the consequences to you of an investment in the Equity Shares.

The financial information in this section is, unless otherwise stated, derived from our Restated Financial Statements prepared in accordance with Indian GAAP, as per the requirements of the Companies Act, 2013, and SEBI (ICDR) Regulations.

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 FACTOR:

1. Our Promoters, Promoters Group and Group Company 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:

Sr No.	Outstanding Litigation	Number of Matter	Financial Implications to the Extent Quantifiable (Rs. in Lakhs)
1.	<b>Filed against the Company</b>		
	Direct Tax / Indirect Tax	Nil	Nil
2.	<b>Filed against our Directors &amp; Promoters</b>		
	Criminal Matters	2	60.13
	Civil Matters	2	--
	Direct Tax / Indirect Tax	3	--
3.	<b>Filed by our Directors &amp; Promoters</b>		
	Civil Matters	4	-

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 Litigation and Material Development” beginning from page no. 118 of this draft prospectus.

**2. Investment risk pertaining to investment in our associate company Dynamic Services & Security Limited.**

We have acquired 22,82,063 Equity shares of Dynamic Services & Security Limited (“DSSL”) being 25.97% of total current shareholding on 30/08/2021 and in turn issued our shares to the shareholders as consideration. (For further details, please refer chapter “**Capital Structure**” beginning from page no. 40 of this draft prospectus). The Company Dynamic Services & Security Limited has its own internal risks and is also involved in certain litigations, any adverse outcome of which may erode the value our investment resulting in adverse financial impact for our Company. Certain notable risks are enumerated below:

**a) Impact of merger of the three proprietorships firms with Dynamic Services & Security Limited:**

DSSL has taken over three proprietorship firm namely M/s. Dynamic Services (Prop: Jugal Kishore Bhagat), M/s. Dynamic Enterprises (Prop: Rekha Bhagat) and M/s. Global Services (Prop: Rekha Devi Bhagat) with effect from March 31, 2019 vide Business Takeover agreement (BTA) dated 30<sup>th</sup> June 2019 as a going concern and all the assets, liabilities, revenues and expenses of the three firms has been merged with DSSL. However, since the ongoing contracts are undertaken in the proprietorship entities and the respective PAN and GST are used for receipt of contractual payments but for accounting purposes all the revenues, expenses, assets and liabilities are booked in the name of DSSL as per the BTA terms, so there is a mismatch in the filings done to statutory authorities like GST and Income Tax by the respective clients for whom the work is undertaken by the respective proprietorship entities, but since the accounting records are of DSSL and filings are accordingly made so there may be possibility of departmental enquiry and adverse outcome resulting in adverse impact on the financials of DSSL.

**b) DSSL has contingent liabilities which if materialises may adversely affect the financial position:**

As on March 31, 2021 DSSL has contingent liabilities towards bank guarantees, tax demands and disputed claims not provided for to the tune of Rs. 1353.06 Lakhs. The said contingent liabilities if materialises may adversely affect the financial position of our Company.

Particulars	As on 31-03-2021
IOCL Disputed Claim	24,46,000
Bank Guarantee Issued*	12,36,86,479
EPF Department Claim	77,98,200
ESI Department Claim	13,75,200
<b>Total</b>	<b>13,53,05,879</b>

*In the past, one Bank Guarantee issued by M/s. Dynamic Services amounting to Rs. 147.33 Lakhs (being 10% of total contract value of Rs. 1473.32 Lakhs) has been forfeited by West Central Railway and contract has been terminated.*

**3. 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 1<sup>st</sup> April 2015 to 1<sup>st</sup> 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 and 2019-20 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.

**4. 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. Income Tax notices are also served in the name of Mrs. Rekha Bhagat which is under process. Any adverse proceedings may impact our Companies financials.

**5. 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.



**6. Our Company had negative cash flow in recent fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.**

The detailed break up of cash flows is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth:

Particulars	31-03-2021	31-03-2020	31-03-2019
Net cash from operating activities	(2,67,29,946)	9,81,013	9,44,954
Net Cash (used in) / from investing activities	(2,80,505)	-	-
Net Cash used in financing activities	2,71,04,235	(10,45,948)	(9,72,843)
<b>Net increase/(decrease) in cash and cash equivalent</b>	<b>93,784</b>	<b>(64,935)</b>	<b>(27,889)</b>

**7. 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;
- our competitors having a wider domestic and global network of warehouses and delivery centres; and
- 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.

**8. 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.

**9. 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 Prospectus, 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.

**10. *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 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 64 of this draft prospectus. 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.

**11. *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.

**12. *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.

**13. *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. 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.

**14. *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.

**15. *The extent to which the Coronavirus pandemic (COVID-19) may affect our business and operations in the future is uncertain and cannot be predicted.***

During the first half of calendar year 2020, COVID-19 spread to a majority of countries across the world, including India. The COVID-19 pandemic has had, and may continue to have, significant repercussions across local, national and global economies and financial markets. In particular, a number of governments and organizations have revised GDP growth forecasts for calendar year 2020 downward in response to the economic slowdown caused by the spread of COVID-19. The global impact of the COVID-19 pandemic has been rapidly evolving and public health officials and governmental authorities have responded by taking measures, such as prohibiting people from assembling in large numbers, instituting quarantines, restricting travel, issuing "stay-at-home" orders and restricting the types of businesses that may continue to operate, among many others. On March 14, 2020, India declared COVID-19 as a "notified disaster" and imposed a nationwide lockdown beginning on March 25, 2020. The lockdown has been extended periodically by varying degrees by state governments and local administrations. The lifting of the lockdown across various regions has been regulated with limited and progressive relaxations being granted for movement of goods and people in other places and calibrated re-opening of businesses and offices. Despite the lifting of the lockdown, there is significant uncertainty regarding the duration and long-term impact of the COVID-19 pandemic, as well as possible future responses by the Government, which makes it impossible for us to predict with certainty the impact that COVID-19 will have on our business and operations in the future.

We are closely monitoring the impact of COVID-19 on our financial condition, liquidity, operations, suppliers and workforce. Any intensification of the COVID-19 pandemic or any future outbreak of another highly infectious or contagious disease may adversely affect our business, results of operations and financial condition.

**16. *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.

**17. *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 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. For details, see chapter titled “**Financial Indebtedness**” on page nos. 112 of this Draft Prospectus. 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.

**18. 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 Statements**” on page no. 111 of this Draft Prospectus.

**19. 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 “**Unsecured Loans**” under “**Financial Statements as restated**” beginning on page no. 94 of this Draft Prospectus. Any demand for the repayment of such unsecured loan, may adversely affect our cash flow and financial condition.

**20. 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 chapters titled “**Key Regulations and Policies**” and “**Government and Other Key Approvals**” at pages 68 and 123 respectively of this Draft Prospectus.

**21. 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.

**22. *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 and Promoter Group*” and “*Our Group Companies*”, “*Related Party Transactions*” and “*Financial Statement as Restated*” beginning on page nos. 88, 91, 111 and 94 respectively, of this Prospectus.

**23. *The Qualification and Experience Proof of some of our Promoters & Directors are unavailable.***

Our Promoters and Directors are qualified and are highly experienced to run the day-to-day affairs of the Company. However, the Qualification and Experience Proof (as mentioned in the Draft Prospectus) of some of our Promoters & Directors are not available.

**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.***

Our Company has not covered itself against business or operational risks.

**25. *We experience the effects of seasonality, which may result in our operating results fluctuating significantly.***

Some of our customers’ businesses are subject to seasonality, which in turn, affects our business. As a result of such seasonality, our quarterly financial results may fluctuate significantly. Accordingly, results for any one quarter necessarily indicative results to be expected for any other quarter and declines in demand during our peak seasonal periods could materially and adversely affect our business, financial condition or results of operations.

**26. *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.

**27. *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.

**28. Upon completion of the Issue, our Promoters / Promoter Group may continue to retain significant control, which will allow them to influence the outcome of matters submitted to the shareholders for approval.**

After completion of the Issue, our Promoters and Promoter Group will collectively own 64.79% of the total post issue Equity Shares. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring any strategic decision favourable to the Company or effecting a change in control of our Company for the betterment of the stakeholders.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

**29. The average cost of acquisition of Equity Shares by our Promoters is lower than the Issue Price.**

Sl. No.	Name of the Promoter	No. of Equity Shares Held	Avg. Cost of Acquisition (In ₹ per Equity Share)
1	Mr. Jugal Kishore Bhagat	37,91,273	19.29
2	Mrs. Rekha Bhagat	11,94,727	18.19

*The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of subscription to Equity Shares at the time of incorporation and subsequent Issues involving conversion of loan and share swap and the net cost of acquisition has been divided by total number of shares held as on date of the draft prospectus.*

**30. 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.

**31. 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.

**32. Industry information included in this draft prospectus 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 prospectus. 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 prospectus.

33. ***Within the parameters as mentioned in the chapter titled “Objects of this Issue” beginning on page 50 of this draft prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.***

We intend to use entire Issue Proceeds towards meeting the working capital requirement and general corporate purpose. We intend to deploy the Net Issue Proceeds in financial year 2021-22 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled “***Objects of the Issue***” beginning on page 50 of this draft prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled “***Objects of the Issue***” beginning on page 50 of this draft prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Board of Directors and the Audit Committee will monitor the proceeds of this Issue.

34. ***The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.***

Since the Issue size is less than Rs. 10,000 Lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our finances.

35. ***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 93 of this draft prospectus.

36. ***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.

37. ***The Issue Price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the Issue Price and you may not be able to sell your Equity Shares at or above the Issue Price.***

The Issue price is based on numerous factors. For further information, see the chapter titled “***Basis for Issue Price***” beginning on page no. 54 of this draft prospectus and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price are:

- Quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- Domestic and international economic, legal and regulatory factors unrelated to our performance.



**38. *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.

**39. *Certain agreements may be inadequately stamped or may not have been registered as a result of which our operations may be adversely affected.***

Few of our agreements may not be stamped adequately or registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, makes the document inadmissible in legal proceedings. Any potential dispute due to non-compliance of local laws relating to stamp duty and registration may adversely impact the operations of our Company.

**40. *The requirements of being a public listed company may strain our resources and impose additional requirements.***

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange(s) which require us to file unaudited financial results on a half yearly basis. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner.

## **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. *Public companies in India, including our Company, shall be required to prepare financial statements under Indian Accounting Standards.***

Our Company currently prepares its annual financial statements under Indian GAAP. The MCA, Government of India, has, through a notification dated February 16, 2015, set out the Indian Accounting Standards (Ind AS) and the timelines for their implementation. In accordance with such notification, our Company is required to prepare its financial statements in accordance with Ind AS. Ind AS is different in many aspects from Indian GAAP under which our financial statements are currently prepared. Accordingly, the degree to which the restated financial statements included in the draft prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the draft prospectus should accordingly be limited.

**4. *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.

**5. *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.

**6. *We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and industry in which we operate contained in the draft prospectus.***

While facts and other statistics in the draft prospectus relating to India, the Indian economy and the industry in which we operate has been based on various web site data and IBEF that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled “**Industry Overview**” beginning on page 58 of this draft prospectus. Due to possibly flawed or ineffective data 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 elsewhere 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 the case may be, elsewhere.

**7. *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.

**8. *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.

**9. *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.

**10. 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.

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

India has experienced natural calamities such as earthquakes, tsunami, floods etc. in recent years. 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.

**12. 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.

**PROMINENT NOTES TO RISK FACTOR:**

1. Initial Public Issue of 26,94,000 Equity Shares of face value of ₹10/- each of our Company for cash at a price of ₹20/-per Equity Share (Issue Price), aggregating up to ₹538.80 Lakhs
2. The pre-issue net worth of our Company as per Restated Balance Sheet for the financial year ended March 31, 2021 is ₹100.15 Lakhs. The book value of Equity Share as per Restated Balance Sheet for the financial year ended March 31, 2021 was ₹20.03 per equity share. For more information, please refer to section titled "**Financial Statements as restated**" beginning on page 94 of this draft prospectus.
3. However, on August 25, 2021 Company has allotted 20,00,000 Equity Shares @ ₹20/- each and in August 30, 2021 25,00,000 Equity Shares @ ₹20/- each i.e., after restated period. (For more information, please refer to section titled "**Capital Structure**" beginning on page 40 of this draft prospectus.)

4. The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

Sl. No.	Name of the Promoter	No. of Equity Shares Held	Avg. Cost of Acquisition (In ₹ per Equity Share)
1	Mr. Jugal Kishore Bhagat	37,91,273	19.29
2	Mrs. Rekha Bhagat	11,94,727	18.19

For further details relating to the allotment of Equity Shares to our Promoters, please refer to the chapter titled "**Capital Structure**" beginning on page no 40 of this draft prospectus.

5. For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer "**Related Party Transaction**" under chapter titled "**Financial Statements as restated**" beginning on page 94 of this draft prospectus.
6. Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled "**Issue Structure**" beginning on page 140 of this draft prospectus.
7. Except as disclosed in the chapter titled "**Capital Structure**", "**Our Promoter and Promoter Group**", "**Our Management**" and "**Related Party Transaction**" beginning on pages 40, 88, 78 and 111 respectively, of this draft prospectus, none of our Promoters, Directors or Key Management Personnel has any interest in our Company.
8. Except as disclosed in the chapter titled "**Capital Structure**" beginning on page 40 of this draft prospectus, we have not issued any Equity Shares for consideration other than cash.
9. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.
10. Investors are advised to refer to the chapter titled "**Basis for Issue Price**" beginning on page 54 of the draft prospectus.



11. There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of the draft prospectus with the Stock exchange.
12. Investors may contact the Lead Manager or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Issue. For contact details of the Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled "**General Information**" beginning on page 34 of this draft prospectus.

All grievances in relation to the application through ASBA process or UPI Mechanism may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving details such as the full name of the sole or First Applicant, ASBA Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form/UPI, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder, ASBA Account number in which the amount equivalent to the Bid Amount was blocked and UPI ID used by the Retail Individual Investors. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above



**SECTION IV: INTRODUCTION**
**THE ISSUE**

The present Issue of 26,94,000 Equity Shares in terms of draft prospectus has been authorized pursuant to a resolution of our Board of Directors held on 30<sup>th</sup> August, 2021 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013, at the Extra-Ordinary General Meeting of the members held on 3<sup>rd</sup> September, 2021.

The following is the summary of the Issue:

<b>Present Issue</b> <sup>(1)</sup>	Up to 26,94,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹20/- per Equity Share aggregating to ₹538.80 Lakhs.
<b>Out of which:</b>	
Market Maker Reservation Portion	Up to 1,38,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹20/- per Equity Share aggregating to ₹27.60 Lakhs.
Net Issue to the Public <sup>(2)</sup>	Up to 25,56,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹20/- per Equity Share aggregating to ₹511.20 Lakhs.
<b>Out of which:</b>	
Allocation to Retail Individual Investors for up to Rs. 2.00 lakh	12,78,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹20/- per Equity Share aggregating to ₹255.60 Lakhs.
Allocation to other investors for above Rs. 2.00 lakh	12,78,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹20/- per Equity Share aggregating to ₹255.60 Lakhs.
<b>Pre- and Post-Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	50,00,000 Equity Shares of ₹10/- each
Equity Shares outstanding after the Issue*	76,94,000 Equity Shares of ₹10/- each
<b>Objects of the Issue</b>	Please refer to the section titled “ <b>Objects of the issue</b> ” beginning on page no. 50 of this draft prospectus.
<b>Issue Open on</b>	[●]
<b>Issue Close on</b>	[●]

\*Assuming Full Allotment

<sup>(1)</sup> The present Issue is being made by our Company in terms of Regulation 229 (1) of the SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post-Issue paid-up equity share capital of our Company are being offered to the public for subscription

<sup>(2)</sup> This Issue is being made in terms of Section IX of the SEBI (ICDR) Regulations 2018, as amended from time to time. The Issue is being made through the Fixed Price method and hence, as per Regulation 253, sub regulation (2) of SEBI (ICDR) Regulations 2018, the allocation in the net issue to public category shall be made as follow:

(a) Minimum 50% to the Retail individual investors; and

(b) remaining to:

- i. individual applicants other than retail individual investors; and
- ii. other investors including corporate bodies or institutions; irrespective of the number of specified securities applied for;

Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

**Explanation:** For the purpose of Regulation 253, sub-Regulation (2), if the retail individual investor category is entitled to more than fifty percent of the issue size on proportionate basis, the retail individual investors shall be allocated that higher percentage.

For further details, kindly refer the chapter titled “**Terms of the Issue**” beginning on page 135 of this draft prospectus.

**SUMMARY OF FINANCIAL INFORMATION**
**RESTATED STATEMENT OF BALANCE SHEET**

Particulars	Note No.	As on		
		31-03-2021	31-03-2020	31-03-2019
<b>Equity &amp; Liabilities</b>				
<b>1. Shareholders Fund</b>				
a) Share capital	I.1	50,00,000	50,00,000	50,00,000
b) Reserves and surplus	I.2	50,14,950	19,84,937	14,73,507
<b>Total Shareholder's Fund</b>		<b>1,00,14,950</b>	<b>69,84,937</b>	<b>64,73,507</b>
<b>2. Non-Current Liabilities</b>				
a) Long Term Borrowings	I.3	26,63,455	-	-
b) Deferred Tax Liability	I.4	-	-	-
<b>Total Non-Current Liabilities</b>		<b>26,63,455</b>	<b>-</b>	<b>-</b>
<b>3. Current Liabilities</b>				
a) Short Term Borrowings	I.5	3,48,34,888	90,49,901	90,81,555
b) Trade Payables	I.6	37,98,500	11,20,350	18,58,651
c) Other Current Liabilities	I.7	1,29,45,927	1,16,560	10,500
d) Short Term Provisions	I.8	18,19,393	7,38,963	5,58,743
<b>Total Current Liabilities</b>		<b>5,33,98,708</b>	<b>1,10,25,774</b>	<b>1,15,09,449</b>
<b>Total Equity &amp; Liability</b>		<b>6,60,77,112</b>	<b>1,80,10,711</b>	<b>1,79,82,956</b>
<b>4. Non-Current Assets</b>				
a) Fixed Assets				
- Tangible Assets	I.9	1,10,800	-	-
- Intangible Assets		-	-	-
- Work-In-Progress		-	-	-
<b>Total Fixed Assets</b>				
b) Non - current Investments	I.10	-	-	-
c) Deferred Tax Assets (Net)	I.4	15,305	-	-
d) Long Term Loans and Advances	I.11	-	-	-
e) Other Non- current Assets	I.12	-	-	-
<b>Total Non-Current Assets</b>		<b>1,26,105</b>	<b>-</b>	<b>-</b>
<b>5. Current assets</b>				
a) Inventories	I.13	42,29,303	-	-
b) Trade Receivables	I.14	3,58,36,185	1,65,04,570	1,75,02,215
c) Cash and Cash Equivalents balances	I.15	1,37,416	43,632	1,08,568
d) Short Term Loans and advances	I.16	2,46,13,645	10,00,000	-
e) Other Current Assets	I.17	11,34,458	4,62,508	3,72,173
<b>Total Current Assets</b>		<b>6,59,51,007</b>	<b>1,80,10,711</b>	<b>1,79,82,956</b>
<b>Total Assets</b>		<b>6,60,77,112</b>	<b>1,80,10,711</b>	<b>1,79,82,956</b>

(For further details, please refer to the section titled "Financial Statement as Restated" beginning on page no. 94 of this draft prospectus.)



## RESTATED STATEMENT OF PROFIT AND LOSS

Particulars	Note No.	For the Year ended on		
		31-03-2021	31-03-2020	31-03-2019
<b>Income</b>				
Revenue from Operations	II.1	10,05,78,758	6,74,96,520	6,72,96,520
Other Income	II.2	-	-	-
<b>Total Revenue</b>		<b>10,05,78,758</b>	<b>6,74,96,520</b>	<b>6,72,96,520</b>
<b>Expenditure</b>				
Cost of Material Consumed	II.3	9,72,86,966	6,47,89,910	6,47,24,900
Change in Inventories	II.4	(42,29,303)	-	-
Employee Benefit Expenses	II.5	10,80,248	5,13,500	4,35,120
Other Expenses	II.6	8,47,103	4,87,166	4,80,434
<b>Total Expenses</b>		<b>9,49,85,014</b>	<b>6,57,90,576</b>	<b>6,56,40,454</b>
<b>Profit Before Interest, Depreciation and Tax</b>		<b>55,93,744</b>	<b>17,05,944</b>	<b>16,56,066</b>
Depreciation & Amortisation Expenses	I.9	1,54,400	-	-
<b>Profit Before Interest and Tax</b>		<b>54,39,345</b>	<b>17,05,944</b>	<b>16,56,066</b>
Financial Charges	II.7	13,44,207	10,14,294	10,10,712
<b>Profit before Taxation</b>		<b>40,95,138</b>	<b>6,91,650</b>	<b>6,45,354</b>
Provision for Taxation	II.8	10,80,430	1,80,220	1,67,792
Provision for Deferred Tax		(15,305)	-	-
<b>Total</b>		<b>10,65,125</b>	<b>1,80,220</b>	<b>1,67,792</b>
<b>Profit After Tax but Before Extra-ordinary Items</b>		<b>30,30,013</b>	<b>5,11,430</b>	<b>4,77,562</b>
Extraordinary Items		-	-	-
Profit Attributable to Minority Shareholders		-	-	-
<b>Net Profit after adjustments</b>		<b>30,30,013</b>	<b>5,11,430</b>	<b>4,77,562</b>
<b>Net Profit Transferred to Balance Sheet</b>		<b>30,30,013</b>	<b>5,11,430</b>	<b>4,77,562</b>

(For further details, please refer to the section titled "Financial Statement as Restated" beginning on page no. 94 of this draft prospectus.)



## RESTATED STATEMENT OF CASH FLOW STATEMENT

PARTICULARS	For the Year ended on		
	31-03-2021	31-03-2020	31-03-2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit Before Tax as per Profit & Loss A/c	40,95,138	6,91,650	6,45,354
Adjusted for :			
a. Depreciation	1,54,400	-	-
b. Interest Expenses & Finance Cost	13,44,207	10,14,294	10,10,712
c. Other Adjustments	-	-	-
d. Interest & Other Income	-	-	-
<b>Operating profit before working capital changes</b>			
Adjusted for :			
a. Decrease / (Increase) in Inventories	(42,29,303)	-	-
b. Decrease / ( Increase ) in trade receivable	(1,93,31,615)	9,97,645	(11,77,149)
b. Decrease / ( Increase ) in Current Investments	-	-	-
c. ( Increase ) / Decrease in short term loans and advances	(2,36,13,645)	(10,00,000)	-
d. Increase / ( Decrease ) in Trade Payables	26,78,150	(7,38,301)	5,37,582
e. Increase / (Decrease) in short term provisions	10,80,430	1,80,220	1,67,792
f. Increase / ( Decrease ) in other current liabilities	1,28,29,367	1,06,060	10,500
g. ( Increase ) / Decrease in Other Current Assets	(6,71,949)	(90,335)	(82,045)
<b>Cash generated from operations</b>			
Net Income Tax (Paid)/Refund	(10,65,125)	(1,80,220)	(1,67,792)
<b>Net Cash Generated/(Used) From Operating Activities (A)</b>	<b>(2,67,29,946)</b>	<b>9,81,013</b>	<b>9,44,954</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITES</b>			
a. (Purchase) Sale of Fixed Assets	(1,10,800)	-	-
b.( Purchase) / Sale of non-current investment	-	-	-
c. ( Increase ) / Decrease in Long term loans and advances	-	-	-
d. Increase / ( Decrease ) in Long Term Provisions			
e. ( Increase ) / Decrease in Other Non Current Assets	(15,305)	-	-
f. (Increase) in Misc. Expenses	(1,54,400)	-	-
g. Interest & Other Income	-	-	-
<b>Net Cash Generated/(Used) From Investing Activities (B)</b>	<b>(2,80,505)</b>	<b>-</b>	<b>-</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITES</b>			
a. Interest & Finance Cost	(13,44,207)	(10,14,294)	(10,10,712)
b. Proceeds from share issued including Premium			
c. ( Repayments ) / proceeds of long term borrowings	26,63,455	-	-
d. ( Repayments ) / proceeds of short term borrowings	2,57,84,987	(31,654)	37,869
<b>Net Cash Generated/(Used) From Financing Activities (C)</b>	<b>2,71,04,235</b>	<b>(10,45,948)</b>	<b>(9,72,843)</b>
<b>Net Increase / ( Decrease ) in cash and cash equivalents</b>	<b>93,784</b>	<b>(64,935)</b>	<b>(27,889)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>43,632</b>	<b>1,08,568</b>	<b>1,36,456</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>1,37,416</b>	<b>43,632</b>	<b>1,08,568</b>

(For further details, please refer to the section titled "Financial Statement as Restated" beginning on page no. 94 of this draft prospectus.)

**SECTION V: 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 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 & Infra Limited*” vide fresh certificate of incorporation dated September 07, 2021. We have received the Certificate of commencement of business on August 17, 2011, issued by the Registrar of Companies, West Bengal. For further details, please refer to section titled “*Our History and Certain Corporate Matters*” beginning on page no 75 of this Draft Prospectus.

<b>Brief of Company and Issue Information</b>	
<b>Registered Office</b>	<b>Destiny Logistics &amp; Infra Limited</b> ( <i>Erstwhile known as Dynamic Logistic Limited</i> ) 375, Dakshindari Road, Kolkata – 700048 Contact No: 033-40087463 Contact Person: Mr. Mustafa Rangwala Email ID: <a href="mailto:cs@destinyinfra.in">cs@destinyinfra.in</a> Website: <a href="http://www.destinyinfra.in">www.destinyinfra.in</a>
<b>Date of Incorporation</b>	July 28, 2011
<b>Corporate Identification Number</b>	U63090WB2011PLC165520
<b>Company Category</b>	Company Limited by Shares
<b>Company Sub-category</b>	Indian Non-Government Company
<b>Address of Registrar of Companies</b>	<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.
<b>Designated Stock Exchange<sup>^</sup></b>	<b>National Stock Exchange of India Limited</b> , EMERGE Platform of NSE (“NSE-EMERGE”) Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051
<b>Company Secretary and Compliance Officer</b>	<b>Mr. Mustafa Rangwala</b> , <b>Company Secretary &amp; Compliance Officer</b> Destiny Logistics & Infra Limited 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>
<b>Chief Financial Officer (CFO)</b>	<b>Mr. Prasenjit Biswas</b> , <b>Chief Financial Officer</b> Destiny Logistics & Infra Limited 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>
<b>Statutory Auditor of the company</b>	<b>Kumar Roybarman Prasanta &amp; Associates</b> , Chartered Accountants Address: 140A/4, N.S.C. Bose Road, Regent Estate, Kolkata- 700092 <b>E-mail ID:</b> <a href="mailto:pkrb2017@gmail.com">pkrb2017@gmail.com</a> <b>Contact Person:</b> CA Prasanta Kumar Roy Barman <b>Designation:</b> Proprietor <b>Membership Number:</b> 013905 <b>Firm Registration No.:</b> 330634E
<b>Peer Review Auditor of the company</b>	<b>M/s. Bijan Ghosh &amp; Associates</b> , Chartered Accountants, <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

<sup>^</sup> In compliance with Regulation 230(1)(a) of SEBI (ICDR) Regulation, 2018, we had made an application to NSE only for listing of our equity shares on the NSE Emerge platform.

**Board of Directors of Our Company:**

Our Company's Board comprises of the following Directors:

Sl. No.	Name of Director	Designation	DIN	Age	Residential Address
1	Mrs. Rekha Bhagat	Managing Director	03564763	37 Years	139, Trimurti Apartment, Dakshindari Road, Sreebhumi, Kolkata-700048, West Bengal.
2	Mr. Mithilesh Kumar Jha	Executive Director	02229913	52 Years	305/36A, Rai Bahadur Road, Kolkata-700053, West Bengal.
3	Mr. Jugal Kishore Bhagat	Non- Executive Director	02218545	45 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	28 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 78 of this Draft Prospectus.

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

LEAD MANAGER	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> 033 – 22895101 <b>Email:</b> ramakrishna@finshoregroup.com <b>Website:</b> www.finshoregroup.com <b>Investor Grievance Email:</b> info@finshoregroup.com <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", #1, Club House Road, Chennai - 600 002, India <b>Telephone:</b> +91-44-40020700, 28460390 <b>Facsimile:</b> +91-44-28460129 <b>Email:</b> investor@cameoindia.com <b>Contact Person:</b> Mr. R.D. Ramasamy, Director <b>Website:</b> www.cameoindia.com <b>SEBI Registration Number:</b> INR000003753 <b>CIN No:</b> U67120TN1998PLC041613
BANKER TO THE ISSUE AND SPONSOR BANK	LEGAL ADVISOR 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> jmukherjeeandassociates@gmail.com <b>Contact Person:</b> Mr. Jayabrata Mukherjee

Note: Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue and/or the Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc. For all Issue related queries and for redressal of complaints, Applicants may also write to the Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Lead Manager, who shall respond to the same.

All grievances in relation to the application through ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving details such as the full name of the sole or First Applicant, ASBA Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder, ASBA Account number in which the amount equivalent to the Bid Amount was blocked and UPI ID used by the Retail Individual Investors. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

**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.

**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 <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> or at such other website as may be prescribed by SEBI from time to time. For details of the Designated Branches which shall collect Application Forms, please refer to the above-mentioned SEBI link.

**Issuer Banks for UPI**

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Issuer Bank for UPI mechanism are provided on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yesandintmId=40>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above-mentioned SEBI link.

**Registered Brokers**

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time.

**Brokers to This Issue**

All brokers registered with SEBI and members of the Recognised Stock Exchange (NSE) can act as brokers to the Offer.

**Registrar to Issue and Share Transfer Agents**

The list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time.

**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 National Stock Exchange of India Limited, 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.

**Credit Rating**

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

**Trustees**

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

**Debenture Trustees**

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

**IPO Grading**

Since the Issue is being made in terms of Section IX of the SEBI (ICDR) Regulations, 2018 there is no requirement of appointing an IPO Grading agency.

**Monitoring Agency**

As per regulation 262(1) of the SEBI ICDR Regulations 2018, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs.10,000 Lakhs. Since the Issue size is only of ₹538.80 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

**Appraising Entity**

No appraising entity has been appointed in respect of any objects of this Issue.

**Filing of Draft Prospectus/Prospectus with the SEBI/ROC**

In terms of Regulation 246(1) of the SEBI (ICDR) Regulations, 2018, a copy of the Prospectus shall be filed with the Board (SEBI) through the Lead Manager, immediately upon filing of the offer document with the Registrar of Companies. However, as per Regulation 246(2) of the SEBI (ICDR) Regulations, 2018, The Board (SEBI) shall not issue any observation on the offer document.

In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, 2018, a copy of this Draft Prospectus and Prospectus shall also be furnished to the Board in a soft copy.

A copy of the Draft Prospectus shall be filed electronically with the SEBI through the SEBI intermediary portal at <https://siportal.sebi.gov.in> in terms of the circular (No. SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018 issued by the SEBI and with the Designated Stock Exchanges. Further, in light of the SEBI notification dated March 27, 2020, a copy of the Draft Prospectus will be mailed at the e-mail address: [cfdil@sebi.gov.in](mailto:cfdil@sebi.gov.in)

A copy of the Prospectus, along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013 would be delivered for filing to the **Registrar of Companies – Kolkata**, West Bengal, Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4, A.J.C.B. Road, Kolkata - 700020, West Bengal, India.

**Issue Programme**

Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with NSE-EMERGE	[●]
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	[●]
Credit of Equity Shares to demat accounts of the Allottees	[●]
Commencement of trading of the Equity Shares on NSE EMERGE	[●]

**Expert Opinion**

Our Company has not obtained any expert opinions except we have received consent from the Peer review Auditors of the Company to include their name as an expert in this draft prospectus in relation to the (a) Peer review Auditors' reports on the restated Audited financial statements; and (b) Statement of Tax Benefits by the Peer review Auditors and such consent has not been withdrawn as on the date of this draft prospectus.

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

There has been no changes in the Auditor during the last 3 (three) financial years.

**Underwriter**

In terms of Regulation 260 (1) of the SEBI (ICDR) Regulations, 2018, the initial public offer shall be underwritten for hundred per cent (100%) of the offer and shall not be restricted up to the minimum subscription level and as per sub regulation (2) the lead manager(s) shall underwrite at least fifteen per cent of the issue size on their own account(s).

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated [●] and pursuant to the terms of the underwriting agreement, obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Issue

Name, Address, Telephone, and Email of the Underwriter	Indicated no. of Shares to be Underwritten	Amount Underwritten	% of the total Issue Size Underwritten
<b>Finshore Management Services Limited</b> Anandlok, Block-A, 2nd Floor, Room No. 207, 227 A.J.C. Bose Road, Kolkata-700020, India <b>Tel No:</b> +91-33-22895101 <b>Website:</b> www.finshoregroup.com <b>Email:</b> ramakrishna@finshoregroup.com <b>Investor Grievance Email:</b> info@finshoregroup.com <b>Contact Person:</b> Mr. S. Ramakrishna Iyengar, <b>SEBI Registration No:</b> INM000012185	26,94,000* Equity Shares	₹538.80 Lakhs	100.00%

\*Includes 1,38,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker vide their agreement dated [●] in order to comply with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.

In the opinion of the Board of Directors of our Company, the resources of the above-mentioned Underwriter and Market Maker are sufficient to enable them to discharge their respective underwriting obligations in full.

**Details of Market Making Arrangement for This Issue**

Our Company and the Lead Manager has entered into Market Making Agreement dated [●] with the following Market Maker to fulfill the obligations of Market Making for this Issue:

<b>Name</b>	[●]
<b>Address</b>	[●]
<b>Telephone</b>	[●]
<b>E-mail</b>	[●]
<b>Contact Person</b>	[●]
<b>SEBI Registration No</b>	[●]
<b>Market Maker Registration No.</b>	[●]

[●] Limited, registered with National Stock Exchange of India Limited, will act as the market maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified in SEBI (ICDR) Regulations as amended from time to time.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, as amended from time to time and the circulars issued by the NSE and SEBI in this matter from time to time.





- *In terms of regulation 261(1) of SEBI ICDR Regulations 2018, the Market Making arrangement through the Market Maker will be in place for a period of three years from the date of listing of our Equity Shares and shall be carried out in accordance with SEBI ICDR Regulations and the circulars issued by the NSE and SEBI regarding this matter from time to time.*
- *In terms of regulation 261(2) of SEBI ICDR Regulations 2018, The market maker or issuer, in consultation with the lead manager(s) may enter into agreements with the nominated investors for receiving or delivering the specified securities in market making, subject to the prior approval of the NSE.*
- *In terms of regulation 261(3) of SEBI ICDR Regulations 2018, Following is a summary of the key details pertaining to the Market Making arrangement*
  1. The Market Maker “[●]” shall be required to provide a two-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
  2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of NSE-EMERGE and SEBI from time to time.
  3. The Market Maker is required to comply with SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012, SEBI ICDR Regulations and relevant Exchange Circulars.
  4. The minimum depth of the quote shall be Rs.1.00 Lakh. However, the investors with holdings of value less than Rs. 1.00 Lakh shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
  5. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
  6. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on NSE-EMERGE (in this case currently the minimum trading lot size is 6,000 equity shares; however, the same may be changed by the NSE-EMERGE from time to time).
  7. The shares of the Company will be traded in Trade for Trade Segment for the first 10 days from commencement of trading (as per SEBI Circular no: CIR/MRD/DP/ 02/2012 dated January 20, 2012) on EMERGE Platform of NSE and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
  8. The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the NSE.
  9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
  10. In terms of regulation 261(6) of SEBI ICDR Regulations 2018, Market Maker shall not buy the Equity Shares from the Promoters or Persons belonging to promoter group of **Destiny Logistics & Infra Limited** or any person who has acquired shares from such promoter or person belonging to promoter group, during the compulsory market making period.
  11. In terms of regulation 261(7) of SEBI ICDR Regulations 2018, The Promoters’ holding of **Destiny Logistics & Infra Limited** shall not be eligible for offering to the Market Maker during the Compulsory Market Making Period. However, the promoters’ holding of **Destiny Logistics & Infra Limited** which is not locked-in as per the SEBI (ICDR) Regulations, 2018 as amended, can be traded with prior permission of the EMERGE Platform of NSE, in the manner specified by SEBI from time to time.
  12. The Lead Manager may be represented on the Board of the Issuer Company in compliance with Regulation 261 (8) of SEBI (ICDR) Regulations, 2018.
  13. The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer Company at any particular level and is purely supposed to facilitate liquidity on the counter of **Destiny Logistics & Infra Limited** via its 2-way quotes. The price of the Equity Shares shall be determined and be subject to market forces.
  14. **Risk containment measures and monitoring for Market Maker:** NSE-EMERGE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin,

Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.

15. **Punitive Action in case of default by Market Maker(s):** NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case they are not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

The Market Maker(s) shall have the right to terminate said arrangement by giving **three months' notice** or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the relevant laws and regulations applicable at that particular point of time.

16. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction
17. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the issue size and as follows:

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the issue size)	Re-entry threshold for buy quote (including mandatory initial inventory of 5% of the issue size)
Up to Rs.20 Crore	25%	24%
Rs. 20 to Rs.50 Crore	20%	19%
Rs. 50 to Rs.80 Crore	15%	14%
Above Rs. 80 Crore	12%	11%

18. All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.
19. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹250 crores, the applicable price bands for the first day shall be:
- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

- *In terms of regulation 261(4) of SEBI ICDR Regulations 2018, The specified securities being bought or sold in the process of market making may be transferred to or from the nominated investors with whom the lead manager(s) and the issuer have entered into an agreement for market making: Provided that the inventory of the market maker, as on the date of allotment of the specified securities, shall be at least five per cent. of the specified securities proposed to be listed on NSE-EMERGE In terms of regulation 261(5) of SEBI ICDR Regulations 2018, The market maker shall buy the entire shareholding of a shareholder of the issuer in one lot, where the value of such shareholding is less than the minimum contract size allowed for trading on the NSE-EMERGE: Provided that market maker shall not sell in lots less than the minimum contract size allowed for trading on the NSE-EMERGE.*

**SECTION VI: CAPITAL STRUCTURE**

Our Equity Share capital before the Issue and after giving effect to the Issue, as at the date of this draft prospectus, is set forth below:

(Rs. in Lakhs except share data)

No.	Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
A.	<b>Authorized Share Capital</b>		
	1,00,00,000 Equity Shares of face value of ₹10/- each	1,000.00	--
B.	<b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Offer <sup>(1)</sup></b>		
	50,00,000 Equity Shares of face value of ₹10/- each	500.00	--
C.	<b>Present issue in terms of the draft prospectus <sup>(2)</sup></b>		
	26,94,000 Equity Shares of ₹10/- each for cash at a price of ₹20/- per share	269.40	538.80
<b>Which Comprises</b>			
D.	<b>Reservation for Market Maker portion</b>		
	1,38,000 Shares of ₹10/- each for cash at a price a ₹20/- per Equity Share	13.80	27.60
E.	<b>Net Issue to the Public</b>		
	25,56,000 Equity Shares of ₹10/- each for cash at a price a ₹20/- per Equity Share, out of which:	255.60	511.20
	12,78,000 Equity Shares of ₹10/- each for cash at a price a ₹20/- per Equity Share will be available for allocation for allotment to Retail Individual Investors of <b>up to ₹2.00 lakhs</b>	127.80	255.60
	12,78,000 Equity Shares of ₹10/- each for cash at a price a ₹20/- per Equity Share will be available for allocation for allotment to Other Investors of <b>above ₹2.00 lakhs</b>	127.80	255.60
F.	<b>Paid up Equity capital after the Issue</b>		
	76,94,000 Equity Shares of ₹10/- each	769.40	
	<b>Securities Premium Account</b>		
G.	Before the Issue	450.00	
	After the Issue	719.40	

<sup>(1)</sup> Our Company has only one class of share, i.e., Equity Shares having face value of ₹10/- each and there are not partly paid-up Equity Shares or preference shares or convertible securities outstanding for conversion as on the date of this draft prospectus.

<sup>(2)</sup> The present Issue of 26,94,000 Equity Shares in terms of draft prospectus has been authorized pursuant to a resolution of our Board of Directors dated 30<sup>th</sup> August, 2021 and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of the members held on 3<sup>rd</sup> September, 2021.

**Details of changes in Authorized Share Capital of Our Company since incorporation:**

No.	Date of Shareholders approval	EGM/AGM/ Postal Ballot	Authorized Share Capital (Rs.)	Details of change
1	27-07-2011	At the time of incorporation	10,00,000	Incorporated with an Authorized Share Capital of ₹10,00,000 comprising of 1,00,000 Equity Shares of ₹10/- each.
2	04-12-2017	EOGM	50,00,000	Increase in Authorized Share Capital from ₹10,00,000 comprising of 1,00,000 Equity Shares of ₹10/- each to ₹50,00,000 comprising of 5,00,000 Equity Shares of ₹10/- each.
3	10-05-2021	EOGM	10,00,00,000	Increase in Authorized Share Capital from ₹50,00,000 comprising of 5,00,000 Equity Shares of ₹10/- each to ₹10,00,00,000 comprising of 1,00,00,000 Equity Shares of ₹10/- each.

**Notes to Capital Structure:**
**Share capital history of our Company**
**(a) Equity share capital history of our Company:**

The following is the history of the equity share capital of our Company:

Date of Allotment	No. of Equity Shares	Face Value (In ₹)	Issue Price (In ₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Capital (in ₹)	Cumulative Share Premium (₹)
28/07/2011	50,000	10.00	10.00	Cash	Subscription to MOA <sup>(1)</sup>	5,00,000	-	-
23/12/2017	4,50,000	10.00	10.00	Cash	Rights Issue <sup>(2)</sup>	45,00,000	50,00,000	-
25/08/2021	20,00,000	10.00	20.00	Cash	Conversion of Unsecured Loan <sup>(3)</sup>	25,00,000	2,50,00,000	2,00,00,000
30/08/2021	25,00,000	10.00	20.00	Other than Cash	Share Swap <sup>(4)</sup>	50,00,000	5,00,00,000	4,50,00,000

**(1) Allotment on Initial subscription to the Memorandum of Association dated 28/07/2011**

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Alka Sharma	10/-	10/-	Subscription to MOA	14,000
2	Rekha Bhagat	10/-	10/-	Subscription to MOA	12,000
3	Jugal Kishore Bhagat	10/-	10/-	Subscription to MOA	16,000
4	Mithilesh Kumar Jha	10/-	10/-	Subscription to MOA	5,000
5	Abhishek Kumar Sharma	10/-	10/-	Subscription to MOA	1,000
6	Indra Jha	10/-	10/-	Subscription to MOA	1,000
7	Sabhajit Singh	10/-	10/-	Subscription to MOA	1,000
<b>Total</b>					<b>50,000</b>

**(2) Further on 23/12/2017, the Company has allotted 4,50,000 Equity Shares of the face value of ₹10/- each at par as per the details given below:**

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Jugal Kishore Bhagat	10/-	10/-	Right Issue	2,50,000
2	Rekha Bhagat	10/-	10/-	Right Issue	2,00,000
<b>Total</b>					<b>4,50,000</b>

**(3) Further on 25/08/2021, our Company had allotted 20,00,000 Equity Shares of the face value of ₹10/- each at a price of Rs.20/- per equity share as per the details given below:**

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Jugal Kishore Bhagat	10/-	20/-	Conversion of unsecured Loan	10,21,273
2	Rekha Bhagat	10/-	20/-	Conversion of unsecured Loan	9,78,727
<b>Total</b>					<b>20,00,000</b>

**(4) Further on 30/08/2021, our Company had allotted 25,00,000 Equity Shares of the face value of ₹10/- each at a price of Rs.20/- per equity share as per the details given below:**

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Jugal Kishore Bhagat	10/-	20/-	Shares Swap #	25,00,000
<b>Total</b>					<b>25,00,000</b>

# Destiny Logistics & Infra Limited has purchased 22,82,063 shares of Dynamic Services & Security Limited from the promoter shareholder Mr. Jugal Kishore Bhagat @ Rs.21.91 per share amounting to Rs.5 crores and as consideration issued 25,00,000 shares of Destiny Logistics & Infra Limited @Rs.20 per share.



*(a) As on the date of this draft prospectus, our Company does not have any preference share capital.*

*(b) Equity shares issued for consideration other than cash:*

As on the date of this draft prospectus, other than mentioned above, Our Company has not issued Equity shares for consideration other than cash.

*(c) Revaluation of our assets:*

We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

*(d) If shares have been issued in terms of any scheme approved under Sections 391- 394 of the Companies Act or under section 230-234 of the Companies Act, 2013:*

Our Company has not issued any Equity Shares in terms of any scheme approved under Sections 391- 394 of the Companies Act or under section 230-234 of the Companies Act, 2013.

*(e) If shares have been issued under one or more employee stock option schemes:*

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

*(f) Issue of Equity Shares in the last one year below the Issue Price:*

This issue price is ₹20/- per Equity Share which is 2 times the face value of Equity Share of ₹10/- per equity share. No Equity Shares had been issued by our company at a price lower than the issue price during the preceding one year from the date of this draft prospectus.

**(g) Shareholding Pattern of our Company:**

The table below presents the current shareholding pattern of our Company as on the date of this draft prospectus.

Category (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights					Total as a % of (A+B+C)	No (a)	As a % of total Shares held (b)	No (a)		As a % of total Shares held (Sb)
								Class: X	Class: y	Total								
A	Promoter & Promoter Group	2	49,86,000	-	-	49,86,000	99.72%	49,86,000	-	49,86,000	99.72%	-	-	-	-	-	[●]	
B	Public	5	14,000	-	-	14,000	0.28%	14,000	-	14,000	0.28%	-	-	-	-	-	[●]	
C	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Total</b>	<b>7</b>	<b>50,00,000</b>	<b>-</b>	<b>-</b>	<b>50,00,000</b>	<b>100%</b>	<b>50,00,000</b>	<b>-</b>	<b>50,00,000</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,00,000</b>	

As on date of this draft prospectus each Equity share has one voting rights.

As on date, we have only one class of Equity Shares of face value of Rs. 10/- each.

All Pre-IPO equity shares of our company will be locked-in as per regulations of SEBI ICDR prior to listing of shares on EMERGE Platform of NSE.

In terms of SEBI circular bearing no. Cir/ISD/3/2011 dated June 17, 2011 and SEBI circular bearings no. SEBI/Cir/ISD/05/2011 dated September 30, 2011, the equity shares held by the Promoters and Promoter Group are under process of dematerialization.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the Listing Regulation, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the Website of NSE before commencement of trading of such Equity Share.



- (i) **List of Major Shareholders holding 1% or more of the current paid-up equity share capital aggregating to at least 80% of capital of our Company as on the date of the draft prospectus:**

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the Pre-Issue paid-up capital
1	Jugal Kishore Bhagat	37,91,273	75.83%
2	Rekha Bhagat	11,94,727	23.89%
<b>Total</b>		<b>49,86,000</b>	<b>99.72%</b>

- (ii) **List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to at least 80% of capital of our Company as on a date 10 (Ten) days before the date of the draft prospectus:**

Same as mentioned above in point no (i)

- (iii) **List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to at least 80% of capital of our Company as on a date 1 (one) year before the date of the draft prospectus:**

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the then existing paid-up capital
1	Jugal Kishore Bhagat	2,70,000	54.00%
2	Rekha Bhagat	2,16,000	43.20%
3	Mithilesh Kumar Jha	10,000	2.00%
<b>Total</b>		<b>4,96,000</b>	<b>99.20%</b>

- (iv) **List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to at least 80% of capital of our Company as on a date 2 (two) year before the date of the draft prospectus:**

Same as mentioned above in point no (iii)

- (h) **Proposal or intention to alter our capital structure within a period of 6 months from the date of opening of the Issue:**

Our Company does not have any intention or proposal to alter our capital structure within a period of 6 months from the date of opening of the Issue by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company after obtaining relevant approvals.

- (i) **The Details of Shareholding of Promoter's and Promoter Group of Our Company;**

**Capital Build-up of our Promoter's in our Company:** The current promoters of our Company are i) Mr. Jugal Kishore Bhagat, and ii) Mrs. Rekha Bhagat.

Pursuant to Regulation 236 of SEBI (ICDR) Regulations 2018, minimum promoters' contribution should be not less than 20% of the post Issue equity share capital of our Company. As on the date of this draft prospectus, our Promoters collectively hold 49,86,000 Equity Shares, which constitutes approximately 99.72% of the Pre-IPO issued, subscribed and paid-up Equity Share capital of our Company and approximately 64.79% of the Post-IPO issued, subscribed and paid-up Equity Share capital assuming full allotment of the shares offered in IPO. The Details are as under:

S. No	Particulars	Pre-Issue Shareholding		Post-Issue Shareholding	
		Number of Shares	Holding in %	Number of Shares	Holding in %
<b>Promoters</b>					
1	Jugal Kishore Bhagat	37,91,273	75.83%	37,91,273	49.27%
2	Rekha Bhagat	11,94,727	23.89%	11,94,727	15.52%
<b>Total</b>		<b>49,86,000</b>	<b>99.72%</b>	<b>49,86,000</b>	<b>64.79%</b>

All the Equity Shares allotted and held by our Promoters were fully paid at the time of allotment itself. Further, none of the Equity Shares held by our Promoters are subject to any pledge.

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

**i) Mr. Jugal Kishore Bhagat**

Date of Allotment/Acquisition/Sale	Number of Equity Shares	Face Value (In ₹)	Issue/Transfer Price per Share (In ₹)	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding%	Pledge
28/07/2011	16,000	10	10	Cash	Subscription to MoA	0.32%	0.21%	No
09/12/2016	4,000	10	10	Cash	Acquisition	0.08%	0.05%	No
23/12/2017	2,50,000	10	10	Cash	Right Issue	5.00%	3.25%	No
25/08/2021	10,21,273	10	20	Cash	Conversion of unsecured loan	20.42%	13.27%	No
30/08/2021	25,00,000	10	20	Cash	Share Swap	50.00%	32.49%	No
<b>TOTAL</b>	<b>37,91,273</b>					<b>75.82%</b>	<b>49.27%</b>	

**ii) Mrs. Rekha Bhagat**

Date of Allotment/Acquisition/Sale	Number of Equity Shares	Face Value (In ₹)	Issue/Transfer Price per Share (In ₹)	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding%	Pledge
28/07/2011	12,000	10.00	10.00	Cash	Subscription to MoA	0.24%	0.16%	No
09/12/2016	4,000	10.00	10.00	Cash	Acquisition	0.08%	0.05%	No
23/12/2017	2,00,000	10.00	10.00	Cash	Right Issue	4.00%	2.60%	No
25/08/2021	9,78,727	10.00	20.00	Cash	Conversion of unsecured loan	19.57%	12.72%	No
<b>TOTAL</b>	<b>11,94,727</b>					<b>23.89%</b>	<b>15.53%</b>	

The average cost of acquisition for subscription to Equity Shares by our Promoters is set forth in the table below:

Sl. No.	Name of the Promoter	No. of Equity Shares Held	Avg. Cost of Acquisition (In ₹ per Equity Share)
1	Mr. Jugal Kishore Bhagat	37,91,273	19.29
2	Mrs. Rekha Bhagat	11,94,727	18.19

Note: All the Equity Shares held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares and there are no partly paid-up Equity Shares as on the date of filing of this draft prospectus.

(j) As on date of this draft prospectus, our Company has 7 (Seven) shareholders.

(k) The aggregate shareholding of the Promoters and Promoter Group and of the directors of the promoters, where the promoter is a body corporate.

Our Promoters doesn't include any Body corporates. The Aggregate shareholding of the Promoters & Promoter Group are as under:

Particulars	Pre-Issue Shareholding		Post-Issue Shareholding	
	Number of Shares	Holding in %	Number of Shares	Holding in %
<b>Promoters</b>				
Jugal Kishore Bhagat	37,91,273	75.83%	37,91,273	49.27%
Rekha Bhagat	11,94,727	23.89%	11,94,727	15.52%
<b>Total Promoters Shareholding (A)</b>	<b>49,86,000</b>	<b>99.72%</b>	<b>49,86,000</b>	<b>64.79%</b>
<b>Promoter Group</b>				
Nil	-	-	-	-
<b>Total Promoters Group Shareholding (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Promoters &amp; Promoters Group (A+B)</b>	<b>49,86,000</b>	<b>99.72%</b>	<b>49,86,000</b>	<b>64.79%</b>

➤ There are no financing arrangements whereby the promoter group, the directors of the company which is a promoter of the issuer, the directors of the issuer and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity in the six months immediately preceding the date of filing of the offer document.

**(l) Promoter's Contribution:**

**(i) Details of Promoter's Contribution Locked-in of Equity Shares for Three (3) Years**

Pursuant to Regulation 236 of SEBI (ICDR) Regulations 2018, minimum promoters' contribution should be not less than 20% of the post Issue equity share capital of our Company.

Further, in terms of Regulation 238(a) of SEBI ICDR Regulations, minimum promoter's contribution will be locked-in for a period of three years from the date of Allotment or date of commencement of commercial production, whichever is





later and the Equity Shares held by Promoter of our Company in excess of minimum promoter's contribution will be locked-in for a period of one year from the date of Allotment.

As on the date of this draft prospectus, our Promoters collectively hold 49,86,000 Equity Shares constituting 64.79% of the Post offer issued, subscribed and paid-up Equity Share capital of our Company, out of which 15,38,800 Equity shares constituting 20.00% of the post issued, subscribed and paid-up Equity Share capital of our Company are eligible for the Promoter's Contribution margin of 20% of the post Issue equity share capital of our Company.

An aggregate of minimum 20.00% of the post-issue capital, held by our Promoters shall be considered as Promoter's Contribution ("Minimum Promoter's Contribution") and locked-in for a period of three years from the date of allotment. The lock-in of the Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoters have granted their consents to include such number of Equity Shares held by them as may constitute minimum 20.00% of the post-issue Equity Share Capital of our Company as Promoter's Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's Contribution from the date of filing of this draft prospectus until the completion of the lock-in period specified above.

**The details of lock-in of shares for 3 (three) years are as under:**

Sr. No.	Name of the Promoter Shareholder	Number of Shares held	Number of Shares held for lock-in	Post-IPO Share Locked in (In%)	Lock in Period
1	Jugal Kishore Bhagat	37,91,273	12,91,273	16.78%	3 Years
2	Rekha Bhagat	11,94,727	2,47,527	3.22%	3 Years
<b>Total</b>		<b>49,86,000</b>	<b>15,38,800</b>	<b>20.00%</b>	

*15,38,800 Pre-IPO equity shares of our company held by Our Promoter will be locked-in for 3 (three) years as mentioned above prior to listing of shares on EMERGE Platform of NSE.*

In terms of Regulation 237 of SEBI ICDR Regulations, our Company confirms that none of the Equity Shares forming part of minimum promoter's contribution –

- Are acquired by our Promoter during preceding three financial years;
  - For consideration other than cash and where revaluation of assets or capitalization of intangible assets was involved; or
  - Through bonus issue of Equity Shares made by utilizing the revaluation reserves or unrealized gain or through bonus issue against equity shares which are ineligible for minimum promoter's contribution;
- Are pledged by our Promoter with any creditor;
- Consist of Equity Shares acquired by our Promoter during preceding one year at a price lower than the Issue Price.

Our Company was incorporated under the Companies Act, 2013 and was not incorporated by converting the partnership firm(s) or LLP(s).

The Promoters have severally confirmed that the Equity Shares are eligible in terms of Regulation 237 of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares are free from any lien, encumbrance or third-party rights. The Promoters have also severally confirmed that they are the legal and beneficial owners of the Equity.

All the Equity Shares held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares. Our Promoters have confirmed to our Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed of by them for such purpose.

**(ii) Details of Equity Shares Locked-in for one (1) year**

In excess of minimum 20% of the post-Issue shareholding of our Company held by the Promoter (locked in for three years as specified above), the balance pre-issue share capital of our Company held by promoters shall be locked in for a period of one year from the date of Allotment in this Issue as provided in clause 238(b) of SEBI (ICDR) Regulations 2018.

Further, in terms of Regulation 239 of SEBI ICDR Regulations, entire pre-Issue equity shares capital of our Company held by persons other than our Promoter will be locked-in for a period of one year from the date of Allotment in the Issue.

**The details of lock-in of shares for 1 (one) year are as under:**

Sl. No.	Name of Shareholders	Category	No of Shares Held	Lock-in for 3 Years	Lock-in for 1 Year
1	Jugal Kishore Bhagat	Promoter	37,91,273	12,91,273	25,00,000
2	Rekha Bhagat	Promoter	11,94,727	2,47,527	9,47,200
3	Mithilesh Kumar Jha	Public	10,000	-	10,000
4	Alka Sharma	Public	1,000	-	1,000
5	Abhishek Kumar Sharma	Public	1,000	-	1,000
6	Indira Jha	Public	1,000	-	1,000
7	Sabhajit Singh	Public	1,000	-	1,000
<b>Total</b>			<b>50,00,000</b>	<b>15,38,800</b>	<b>34,61,200</b>

**(iii) Other requirements in respect of lock-in**

➤ **Inscription or Recording of non-transferability:**

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription “Non-Transferable” and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

➤ **Pledge of Locked-in Equity Shares**

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoter, as specified above, can be pledged with any scheduled commercial banks or public financial institutions or systemically important non-banking finance company or housing finance company as collateral security for loans granted by such scheduled commercial banks or public financial institutions or systemically important non-banking finance company or housing finance company, subject to fulfilment of following conditions:

- i. In respect of Equity Shares which are locked in for a period of one year, the pledge of the Equity Shares is one of the terms of the sanction of the loan;
- ii. In respect of Equity Shares which are locked in for a period of three years, the loan has been granted by such scheduled commercial bank or public financial institution or systemically important non-banking finance company or housing finance company to our Company or our Subsidiary (ies) for the purpose of financing one or more of the objects of the Issue and the pledge of the Equity Shares is one of the terms of the sanction of the loan.

➤ **Transfer of Locked-in Equity Shares**

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable;

- a) The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters’ Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- b) The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters’ Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

**(iv) Sale/Purchase by Promoter Group and/or by directors of Company which is promoter of our company and/or by the director of our company and their immediate relatives during six months preceding the date of this draft prospectus:**

There is no Sale/Purchase by Promoter Group and/or by directors of Company which is promoter of our company and/or by the director of our company and their immediate relatives during six months preceding the date of this draft prospectus except as mentioned in this chapter and draft prospectus.

- (m) Our Company, its Directors, Promoters or the Lead Manager have not entered into any buy-back or standby arrangements for the purchase of the Equity Shares of our Company.
- (n) The Equity Shares issued pursuant to this Issue shall be fully paid-up.
- (o) The Lead Manager and its associates do not hold any Equity Shares in our Company as on the date of filing this draft prospectus.



- (p) There are no options granted or equity shares issued under any scheme of employee stock option or employee stock purchase of issuer, in the preceding three years (separately for each year) and on a cumulative basis for all options or equity shares issued prior to the date of the draft prospectus.
- (q) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this draft prospectus.

**Other miscellaneous disclosures:**

1. None of the Equity Shares of our Company are subject to any pledge as on the date of this draft prospectus.
2. None of the shareholding of the Promoters & Promoter Group is subject to lock-in as on date of this draft prospectus.
3. Except as disclosed in the chapter titled **“Our Management”** beginning on page 78 of this draft prospectus, none of our Directors or Key Managerial Personnel holds any Equity Shares in our Company.
4. None of our Promoters, Promoter Group, our Directors and their relatives has entered into any financing arrangements or financed the purchase of the Equity shares of our Company by any other person during the period of six (6) months immediately preceding the date of filing of the draft prospectus.
5. We hereby confirm that there will be no further issue of capital whether by the way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the draft prospectus until the Equity shares offered have been listed or application money unblocked on account of failure of issue.
6. Our Company undertakes that there shall be only one (1) denomination for the Equity Shares of our Company, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as specified by SEBI from time to time.
7. Our Company has not issued Equity Shares out of Revaluation Reserves.
8. Our Company shall comply with such disclosures and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.
9. Our Company has not made any public issue of any kind or class of securities of our Company within the immediately preceding two (2) years prior to filing this draft prospectus.
10. Our Company has not raised any bridge loan against the proceeds of this issue.
11. Our Company, Directors, Promoters or members of our Promoter Group shall not make any payments, direct or indirect, discounts, commissions, allowances or otherwise under this Issue except as disclosed in this draft prospectus.
12. Our Company has not revalued its assets since incorporation.
13. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Net Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to three (3) years lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
14. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange i.e., National Stock Exchange of India Limited (NSE-EMERGE Platform). Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
15. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of SEBI (ICDR) Regulations.
16. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
17. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.



18. There are no Equity Shares against which depository receipts have been issued.
19. Other than the Equity Shares, there is no other class of securities issued by our Company.
20. This issue is being made through Fixed Price method.
21. This Issue is being made in terms of Section IX of the SEBI (ICDR) Regulations 2018, as amended from time to time. The Issue is being made through the Fixed Price method and hence, as per Regulation 253, sub regulation (2) of SEBI (ICDR) Regulations 2018, the allocation in the net issue to public category shall be made as follow:
  - (a) Minimum 50% to the Retail individual investors; and
  - (b) remaining to:
    - i. individual applicants other than retail individual investors; and
    - ii. other investors including corporate bodies or institutions; irrespective of the number of specified securities applied for;

Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

**Explanation:** For the purpose of Regulation 253, sub-regulation (2), if the retail individual investor category is entitled to more than fifty percent of the issue size on proportionate basis, the retail individual investors shall be allocated that higher percentage.

22. *Our Promoters and members of our Promoter Group will not participate in the Issue.*

**SECTION VII: PARTICULARS OF THE ISSUE****OBJECTS OF THE ISSUE**

The Issue includes a fresh Issue of 26,94,000 Equity Shares of our Company at an Issue Price of ₹20/- per Equity Share aggregating to ₹538.80 Lakhs.

Our Company proposes to utilize the funds which are being raised through this Issue towards the below mentioned objects and gain benefits of listing on EMERGE Platform of NSE.

**The Objects of the Issue are:**

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

Our Company believes that listing will enhance our Company's corporate image, brand name and create a public market for its Equity Shares in India. It will also make future financing easier and affordable in case of expansion or diversification of the business. Further, listing attracts interest of institutional investors as well as foreign institutional investors.

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's 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.

**Requirement of Funds**

The following table summarizes the requirement of funds:

Sl no	Particulars	Amount (Rs. In Lakhs)	% of total issue size
1	To meet Working Capital requirement	440.00	81.66%
2	General Corporate Expenses	60.00	11.14%
3	Public Issue Expenses	38.80	7.20%
	<b>Gross Issue Proceeds</b>	<b>538.80</b>	<b>100.00%</b>
Less	Issue Expenses	38.80	7.20%
	<b>Net Issue Proceeds</b>	<b>500.00</b>	<b>92.80%</b>

**Means of Finance:**

We propose to meet the requirement of funds for the stated objects of the Issue from the IPO Proceeds. Hence, no amount is required to be raised through means other than the Issue Proceeds. Accordingly, the requirements under Regulation 230(1)(e) of the SEBI ICDR Regulations and Clause 9 (C) of Part A of Schedule VI 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.

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

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 2021-22.

Details of estimation of working capital requirement are as follows:

(Rs. in Lakhs)

Particulars	31-03-2020	31-03-2021	31-03-2022	31-03-2023
	(Restated)	(Restated)	(Estimation)	(Estimation)
Cash & Bank Balance	0.44	1.37	57.40	95.99
Sundry Debtors	165.05	358.36	500.00	600.00
Inventory	-	42.29	62.50	75.00
Other Current Assets	4.63	11.34	450.00	650.00
<b>Total Current Assets</b>	<b>170.11</b>	<b>413.37</b>	<b>1,069.90</b>	<b>1,420.99</b>
Sundry Creditors	11.20	37.98	58.44	69.53
Other Current Liabilities	8.56	147.65	150.00	175.00
<b>Total Current Liabilities</b>	<b>19.76</b>	<b>185.64</b>	<b>208.44</b>	<b>244.53</b>
<b>Working Capital Gap</b>	<b>150.35</b>	<b>227.74</b>	<b>861.46</b>	<b>1,176.47</b>
<b>Source of Working Capital</b>				
Proceeds from IPO	-	-	440.00	-
Short Term Borrowings	90.50	348.35	300.00	300.00
Internal Accrual	59.85	(120.61)	121.46	876.47
<b>Total</b>	<b>150.35</b>	<b>227.74</b>	<b>861.46</b>	<b>1,176.47</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	4.00	4.00
Inventory Holding Period (Months)	-	0.50	0.50	0.50
Sundry Creditor Holding Period (Months)	0.21	0.47	0.50	0.50

### B. General Corporate Purpose

The Net 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 amount being raised by our Company through this issue, in compliance with the Chapter IX, Regulation 230 (2) of SEBI ICDR Regulations, 2018. Our Company intends to deploy the balance Net Proceeds i.e., Rs.60.00 Lakhs, towards 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 balance Net Proceeds for general corporate purposes, as mentioned above.

### C. Issue Related Expense

The expenses for this Issue include issue management fees, underwriting fees, selling commission, registrar fees, legal advisor fees, printing and distribution expenses, issue related advertisement expenses, depository charges and listing fees, statutory expenses etc. 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 (Rs. in Lakhs)	As a % of Total Estimated Issue Expenses	As a % of the Total Issue Size
Lead Manager Fees including Underwriting Commission, Brokerage, Selling Commission and upload Fees, Registrar to the Issue, Legal Advisors etc.	28.30	72.94%	5.25%
Advertising and Marketing Expenses	2.50	6.44%	0.46%
Regulators Including Stock Exchanges	6.50	16.75%	1.21%
Printing and distribution of Issue Stationary	1.50	3.87%	0.28%
<b>Total</b>	<b>38.80</b>	<b>100.00%</b>	<b>7.20%</b>

**Note:**

- **ASBA Bankers:** The SCSBs will be entitled to selling commission of 0.01% (plus GST) of the amount allotted (product of the no. of equity shares allotted and the issue price) for the forms directly procured by them and uploaded on the electronic system of the stock exchange by them on the portion of Retail Individual Bidders and Non-Institutional Bidders. No other fees/commission shall be payable on the application forms directly procured by them.

*The SCSBs would be entitled to processing fees of 0.01% (plus GST) of the amount allotted (product of the no. of equity shares allotted and the issue price), for processing the application forms procured by other intermediaries and submitted to SCSBs for processing.*

- **SYNDICATE ASBA:** Other intermediaries will be entitled to procurement fees of ₹10/- (plus GST) per valid application form for the forms directly procured by them and submitted to SCSBs for processing by them on the portion of Retail Individual Bidders and Non-Institutional Bidders.
- **Issuer banks for UPI Mechanism** as registered with SEBI would be entitled to a processing fee of ₹10/- (plus GST) per valid application form made by the Retail Individual Bidders using the UPI mechanism for processing.
- *The payment towards commission and processing fees will be completed within 30 days from the date of receipt of final invoice from the respective entities.*

**Appraisal by Appraising Fund:**

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

**Shortfall of Funds**

Any shortfall in meeting the fund requirements will be met by way of internal accruals and or unsecured Loans.

**Bridge Financing Facilities**

As on the date of this draft prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net 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 Proceeds**

Pending utilization for the purposes described above, our Company intends to invest the funds in with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net 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.

**Monitoring Utilization of Funds**

As the Issue size is less than Rs. 10,000 Lakh, 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 Net 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



prospectus 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.

No part of the Issue Proceeds will be paid by our Company as consideration to our Promoters, our Directors, Key Management Personnel or companies promoted by the Promoters, except as may be required in the usual course of business and for working capital requirements.

#### **Variation in Objects**

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

#### **Other Confirmations**

There are no material existing or anticipated transactions with our Promoters, our Directors, our Company’s Key Managerial Personnel, director of promoters in relation to the utilisation of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our Directors or Key Managerial Personnel, director of promoters except in the normal course of business and in compliance with the applicable laws.



## BASIS FOR ISSUE PRICE

The Issue Price of ₹20/- per Equity Share has been determined by our Company, in consultation with the Lead Manager and justified by our Company, in consultation with the Lead Manager on the basis of an assessment of market demand for the Equity Shares through the Fixed Price Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Share of our Company is ₹10/- and Issue Price is ₹20/- which is 2 times the face value. Investors should also refer “*Our Business*”, “*Risk Factors*” and “*Financial Statements as Restated*” beginning on page no. 64, 17 and 94 respectively, of this draft prospectus, to have an informed view before making an investment decision.

### QUALITATIVE FACTORS:

Some of the qualitative factors, which form the basis for computing the price, are –

- Established and proven track record;
- Leveraging the experience of our Promoters;
- Experienced management team and a motivated and efficient work force;
- Cordial relations with our customers
- Quality Assurance & Control

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to Section titled “*Our Business*” beginning on page no. 64 of this draft prospectus.

### QUANTITATIVE FACTORS:

The information presented in this section is derived from our Company’s restated financial statements for the financial year ended on 31<sup>st</sup> March 2021, 31<sup>st</sup> March 2020 and 31<sup>st</sup> March 2019 prepared in accordance with Indian GAAP, the Companies Act and Restated in accordance with SEBI (ICDR) Regulations. For details, refer chapter titled “*Financial Statements as Restated*” beginning on page no 94 of this draft prospectus. Some of the quantitative factors, which form the basis for computing the price, are as follows:

#### 1. Basic & Diluted Earnings per share (EPS) as adjusted for changes in capital for last 3 years:

**Earnings Per Share:** As per the Company's restated financial information:

Particulars	Basic & Diluted EPS (Rs.)	Weight
Year ended March 31, 2019	0.96	1
Year ended March 31, 2020	1.02	2
Year ended March 31, 2021	6.06	3
<b>Weighted Average</b>	<b>3.53</b>	
Year ended March 31, 2021 <i>(Considering further issue post restated period with the same earning as on 31/03/2021)</i>	<b>0.61</b>	

**Note:**

1. EPS has been calculated as PAT/No. of shares outstanding for particular period/year.
2. The company has issued 20,00,000 Equity Shares and 25,00,000 Equity Shares on August 25, 2021 and August 30, 2021 respectively i.e., post restated period. (For more information, please refer to section titled “*Capital Structure*” beginning on page 40 of this draft prospectus.)

#### 2. Price to Earning (P/E) Ratio in relation to the Issue Price of ₹20/- per equity share of face value of Rs. 10/- each

Particulars	P/E Ratio
P/E ratio based on the Basic & Diluted EPS for FY 2020-21	3.30
P/E ratio based on the Basic & Diluted EPS for FY 2020-21 <i>(Considering further issue post restated period with the same earning as on 31/03/2021)</i>	33.00

#### 3. Average Return on Net Worth (RoNW) for last 3 years

Particulars	RONW %	Weight
Year ended March 31, 2019	7.38	1
Year ended March 31, 2020	7.32	2
Year ended March 31, 2021	30.25	3
<b>Weighted Average</b>	<b>18.80</b>	
Year ended March 31, 2021 <i>(Considering further issue post restated period with the same earning as on 31/03/2021)</i>	<b>3.03</b>	



**Weighted average:** Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e.  $[(Return\ on\ Net\ Worth\ \times\ Weight)\ for\ each\ year] / [Total\ of\ weights]$

**Note:** Net worth has been computed by aggregating share capital and reserves and surplus as per the audited restated financial information. Revaluation reserve or miscellaneous expenditure (to the extent not written off) is not considered for calculating Reserve & Surplus.

4. **Net Assets Value:**

Particulars	Amount in Rs.
Net Asset Value per Equity Share as of March 31, 2021	20.03
<b>Net Asset Value per Equity Share after the Issue</b>	20.00
<b>Issue Price per equity share</b>	20.00

**Note:** Net Asset Value per equity share represents "total assets less total liability (excluding deferred tax) as per the restated financial information as divided by the number of equity shares outstanding as at the end of year/period."

5. **Comparison with other listed companies/Industry peers:**

We believe that none of the listed companies in India offer products or services across the various business segments in which we operate. Hence a strict comparison is not possible.

The Company in consultation with the Lead Manager and after considering various valuation fundamentals including Book Value and other relevant factors believes that the issue price of ₹20/- per equity share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the "Risk Factors" beginning on page no 17 of this draft prospectus and Financials of the company as set out in the "Financial Statements as Restated" beginning on page no 94 of this draft prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is Rs. 10/- per share and the Issue Price is 2 times of the face value i.e., ₹20/- per share.

**STATEMENT OF POSSIBLE TAX BENEFITS**

**To,**  
**The Board of Directors**  
Destiny Logistic Limited  
375, Dakshindari Road, Kolkata – 700 048, West Bengal, India

Dear Sirs,

**Sub: Statement of possible Special tax benefit ('the Statement') available to Destiny Logistic Limited and its shareholders prepared in accordance with the requirements under Schedule VI-Clause 9L of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the Regulations')**

We hereby confirm that the enclosed Annexure, prepared by Destiny Logistic Limited ('the Company') states the possible special tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act') as amended time to time, the Gift Tax Act, 1958, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits. Further, these benefits are neither exhaustive nor conclusive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

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

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

**The contents of this annexure 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 and the provisions of the tax laws.**

**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.

The enclosed Annexure is intended solely for your information and for inclusion in the draft prospectus or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**Signed in terms of our separate report of even date.**  
**For, Bijan Ghosh & Associates**  
**Chartered Accountants**

S/d-  
(CA Bijan Ghosh)  
Proprietor  
Membership No: 009491  
Firm Reg. No: 323214E  
Place: Kolkata  
UDIN No.: 21009491AAAEN4597  
Date: 8<sup>th</sup> September, 2021

### **Annexure to the statement of possible Tax Benefits**

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 presently forced in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have different interpretation on the benefits, which an investor can avail.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

#### **1. Special Tax Benefits available to the Company under the Act:**

The Company is not entitled to any Special tax benefits under the Act.

#### **2. Special Tax Benefits available to the shareholders of the Company**

The Shareholders of the company are not entitled to any Special tax benefits under the Act.

#### **Notes:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

## SECTION VIII: ABOUT THE COMPANY AND THE INDUSTRY

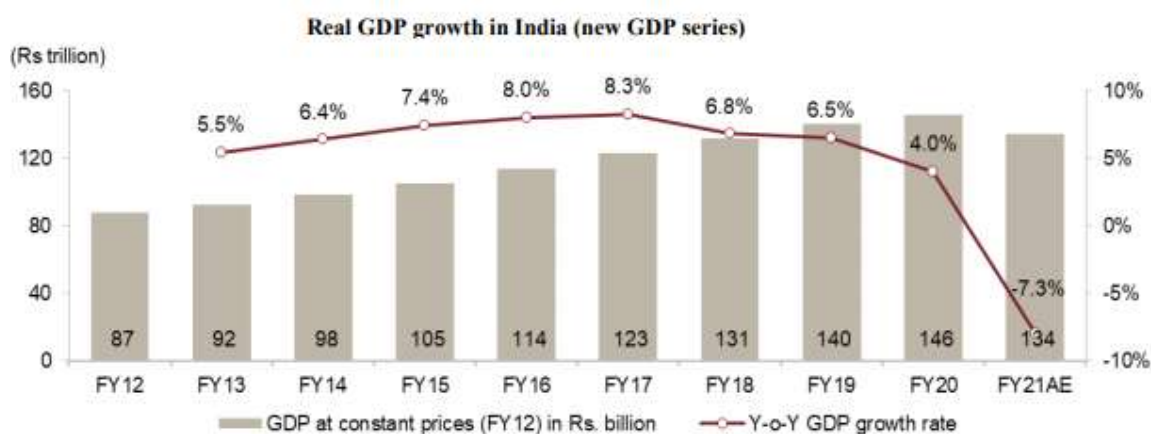
### ABOUT THE COMPANY AND INDUSTRY

#### INDUSTRY OVERVIEW

The information in this section is derived from various publicly available sources, government publications and other industry sources. Neither we nor any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based on such information. Unless otherwise specified, references to years are to calendar years in this section.

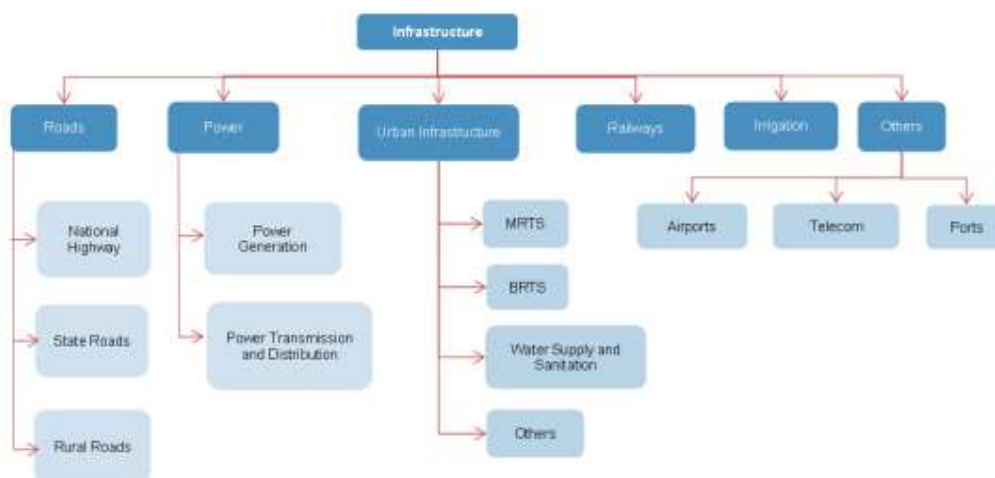
#### Overview of the Indian Economy

In order to compute gross domestic product (GDP), India adopted fiscal year 2011-12 as the base year, according to which the GDP climbed to ₹135.13 trillion in 2020-21 from ₹87 trillion in the year 2011-12. It exhibits a CAGR of 6.6%. The Indian economy expanded 1.6% year-on-year in Q1 2021, accelerating from an upwardly revised 0.5% growth in Q4 and beating market forecasts of 1%. It was the 2nd straight quarter of growth since the country exit a pandemic-induced recession. On the expenditure side, both private (2.7% vs -2.8% in Q4) and public (28.3% vs -1%) spending rebounded while gross fixed capital formation rose faster (10.9% vs 2.6%). Meantime, net trade contributed negatively to growth as exports climbed 8.8% (vs -3.5% in Q4) but imports jumped at a faster 12.3% (vs -5% in Q4). On the production side, output rose for manufacturing (6.9%); construction (14.5%) and utilities (9.1%). In the last fiscal year that ended on March 31st, the economy contracted a record 7.3%, less than earlier estimates of an 8% drop. Asia's 3rd largest economy is expected to grow at the world's fastest rate this year despite projections for the current quarter being more pessimistic amid the 2nd flare-up of infections in April. However, the World Bank projected that the Indian Economy is expected to grow at 8.3% in fiscal year 2021-22 as compared to the projected global growth of 5.6%.



Source: Second advance estimates of national income 2020-21, Central Statistics Office (CSO), MoSPI,

## 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. According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDIs in the construction development sector (townships, housing, built up infrastructure and construction development projects) and construction (infrastructure) activities stood at US\$ 26.08 billion and US\$ 24.72 billion, respectively, between April 2000 and March 2021. In FY21, infrastructure activities accounted for 13% share of the total FDI inflows of US\$ 81.72 billion.

The infrastructure sector encompasses roads, power, railways, urban infrastructure, and irrigation among others. The sheer size and magnitude of major infrastructure development projects dictate substantial capital investment. The government introduced significant policy reforms to augment foreign direct investment (FDI) inflows to further boost investment and enhance infrastructure in the country. The Indian government’s policy reforms resulted in total FDI inflows of USD16.3 billion in construction activities in infrastructure from fiscal 2001 to fiscal 2020, as per the Department of Industrial Policy & Promotion data.

The roads sector accounted for 49% of total investments in the infrastructure industry over fiscal year 2015-19.

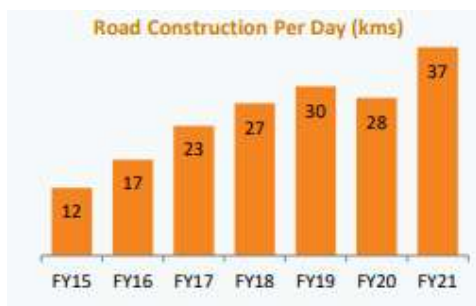
India has the second-largest road network in the world, spanning a total of 5.89 million kilometres (kms).

Private sector has emerged as a key player in the development of road infrastructure in India. Increased industrial activities, along with increasing number of two and four wheelers have supported the growth in road transport infrastructure projects. The Government’s policy to increase private sector participation has proved to be a boon for the infrastructure industry with many private players entering the business through the public-private partnership (PPP) model. In FY21, there were 125 PPP projects worth US\$ 23.25 billion in India. Currently, 12-15% of the investment in state roads is through public and private partnerships. A few states such as Karnataka and Maharashtra have awarded projects under HAM. However, private investments in the infrastructure industry reduced from ~26% in fiscal 2010 to ~17% (expected) in fiscal 2020 mainly due to higher risks borne by private investors with respect to the PPP model.

With the Government permitting 100% Foreign Direct Investment (FDI) in the road sector, several foreign companies have formed partnerships with Indian players to capitalise on the sector's growth. Cumulative FDI in construction development stood at US\$ 25.93 billion between April 2000 and December 2020. The Government’s move to cut GST rates on construction equipment from 28% to 18% is expected to give boost to the industry.

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.

In May 2021, the Ministry of Road Transport and Highways constructed 1,470 kms of national highways compared with 847 kms in May 2020.



*\*Until June 2021*

Source: IBEF

The Minister for Road Transport & Highways and Micro, Small and Medium Enterprises, Mr. Nitin Gadkari, is targeting to construct 40 kms per day in FY22. As per the Ministry of Road Transport and Highways, national highway construction hit an all-time high of 37 km per day in FY 2020-21.

In December 2020, Union Minister of Road Transport and Highways, Mr. Nitin Gadkari laid foundation stones for 15 National Highways projects with a total length of 266 kms, worth Rs. 4,127 crore (US\$ 560.88 million) in Nagaland.

Under Pradhan Mantri Gram Sadak Yojana (PMGSY), in the UT of Jammu & Kashmir, 3,261 roads of length of 19,277 kms and 243 bridges have been sanctioned, out of which 1858 roads of length 11,517 kms and 84 bridges have been completed. Similarly, in the UT of Ladakh, 142 roads of length of 1207 kms and 3 bridges have been sanctioned, out of which 96 roads of length 699 kms and 2 bridges have been completed until July 2020.

Under the Union Budget 2021-22, the Government of India has allocated Rs. 108,230 crore (US\$ 14.85 billion) to the Ministry of Road Transport and Highways.

In January 2021, the Government of India and New Development Bank (NDB) signed two loan agreements for US\$ 646 million for upgrading the state highway network and district road network in Andhra Pradesh.

In December 2020, the MoRTH proposed to develop additional 60,000 kms of national highways (in the next five years), of which 2,500 kms are expressways/access controlled highways, 9,000 kms are economic corridors, 2,000 kms are coastal and port connectivity highways and 2,000 kms are border road/strategic highways. The ministry also intends to improve connectivity for 100 tourist destinations and construct bypasses for 45 towns/cities.

### **Share of various infrastructure segments in total construction spend**

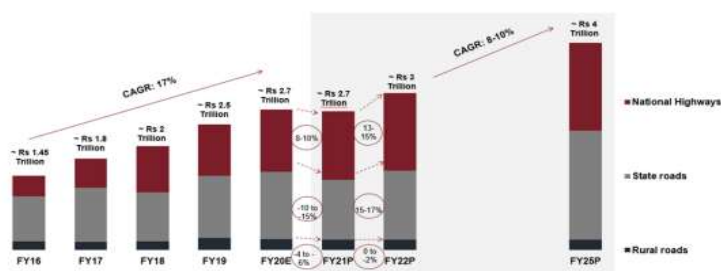
The total construction spend in the overall infrastructure segment from fiscal 2015 to fiscal 2019 was valued at Rs 17.93 trillion. Of this, the roads sector accounted for Rs 8.7 trillion.

### **Investments by private sector to grow 2x times over the next 5 years**

The expected private construction investments in national highways to increase 2x to Rs 1.5 trillion over fiscal 2021-25 compared with the previous five years. This is expected to be mainly through the hybrid annuity model (HAM) model, as the build-operate-transfer (BOT) toll model may have only a few takers. A policy push in the form of changes in model concession agreements (MCAs) for HAM and BOT projects and a reduction in bid eligibility criteria across all national highway projects would bode well for private participation. However, the share of HAM in total projects awarded is constrained by the cautious approach of banks on lending to HAM projects. Amidst the COVID-19 pandemic, NHAI and the ministry have taken various steps under the Atmanirbhar programme to ease issues faced by developers. Measures such as releasing monthly payments

instead of milestone-based payments and extension of timelines for completion of projects have sustained private participation in the sector.

### National Highway capex to sustain the sector this fiscal, supported by construction of high value expressway



E: Estimated, P: Projected

Note: Capex excludes land acquisition costs

Source: NHAI, MoRTH, State budget documents, PMGSY

### Future growth in road construction on account of increased government focus

It is expected that investments in roads to record a 0-2% decline in fiscal 2021 owing to the Covid-19 pandemic due to the lockdown impacting construction activities and migration of labour. A 10-15% recovery is likely in FY22 led by increased execution of projects as NHAI shifts its focus to execution and implementation of high-value projects such as expressways. Road projects augur well for construction players, as nearly all funds (save those used for land acquisition) are channelised into construction. Spending on road construction, which is estimated to have risen 11% on-year in fiscal 2020, is forecast to increase 1.6 times over fiscal 2021-25 compared with fiscal 2016-20, due to the government's focus on roads, and state and national highways driven by public funds. Around 35% of the projects awarded by the National Highways Authority of India (NHAI) in fiscal 2019 and 2020 are through HAM. Under HAM, 40% of the total construction cost is paid by the government during the construction period. Private players are struggling to infuse funds in BOT toll projects because of their highly leveraged balance sheets and the overhang of languishing projects awarded between fiscal 2011 and 2013. However, HAM was instrumental in attracting substantial private funds. Introduced by the end of FY16, HAM constituted nearly 20% of the total length awarded by NHAI in fiscal 2020. It is expected to account for 35-45% of total NHAI projects awarded in fiscal 2021. As execution of these projects picks up, private investments are expected to go up.

### Railways Investment in past five years

Of the total construction spend in the infrastructure sector, railways had a share of 11.4% in fiscal 2015-19. Historically, investments in railways have come from the Centre; and private participation has been miniscule. Indian Railways is trying to harness private capital for funding capex across projects such as first/last mile and port connectivity projects, logistic parks/private freight terminals, station redevelopment, etc. It has developed various PPP models such as non-government rail, joint venture, capacity augmentation with funding provided by customers, build-operate-transfer, and capacity augmentation through annuity to suit different risk appetites.

### PPP in railways

To reduce the transit time and supply-demand deficit in the railway sector, the government has introduced privatisation of railways in fiscal 2020. Under this move, the government plans to privatise 100 paths bundled in 10-12 clusters entailing nearly 150 trains with a concession period of 35 years. In addition, the government also announced a PPP model for station redevelopment. Under this move, 400 stations have been identified for redevelopment which envisages an investment



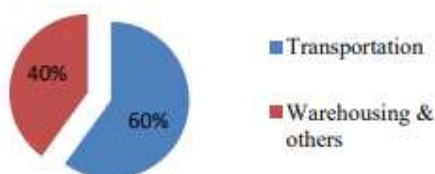
opportunity of nearly Rs 1 trillion. These development plans would improve participation of private players in the railway sector over the longer term.

### Impact of Logistics Industry

The e-commerce industry is expected to clock an estimated 10-15% CAGR between fiscals 2021 and 2023 to ~Rs 4.8 trillion. Growth is expected to be driven by segments such as the online marketplace, where players will continue to offer huge discounts, deals, and innovations to attract customers. Further, rising penetration of the internet, increasing use of smart phones (with mobile apps), and increasing consumer awareness should support the growth story. As the industry grows, players are looking to develop local ecosystems to serve demand across India. As these local ecosystems evolve, lead distances will reduce and freight traffic could gradually shift from air freight to roads.

#### Indian Logistics Industry

The Logistics Sector was granted Infrastructure status in the 14th Institutional Mechanism (IM) Meeting held on 10th November, 2017 to meet the need for integrated Logistics sector development in view of the fact that the logistics cost in India is very high compared to developed countries. The Indian logistic sector is primarily categorized into four segments comprising Transportation (rail, road, air, water-ways), warehousing (Container freight stations and Inland Container Depots), freight forwarding and value-added logistics. The transportation contributes maximum (60%) to the whole pie of logistic sector which comprises of various means such as road, rail, air and water.



Source: [www.morth.nic.in](http://www.morth.nic.in)

### The Road Sector

In FY17, India had the 2nd largest road network in the world, spanning over a total of 5.21 million kms. Over 64.5 per cent of all goods in the country are transported through roads, while, 90 per cent of the total passenger traffic uses road network to commute. Road Transport is a critical infrastructure for the economic development of a country. It influences the pace, structure and pattern of development. Road transport is the dominant mode of transport in India, both in terms of traffic share and in terms of contribution to the national economy. Apart from facilitating the movement of goods and passengers, road transport plays a key role in promoting equitable socio-economic development across regions of the country. It also plays vital role in social and economic integration and development of the country. Easy accessibility, flexibility of operations, door-to-door service and reliability have earned road transport a greater significance in both passenger and freight traffic vis-à-vis other modes of transport. Sustained economic development and expanding road network have led to rapidly increasing motorized vehicles in India. The total number of registered motor vehicles has increased from about 0.3 million in 1951 to 210.0 million in 2015. The total registered motor vehicles in the country grew at a Compound Annual Growth Rate of 9.8 percent between 2005 and 2015. The share of motor vehicles categorized as “Others”, which include tractors, trailers and three-wheelers has increased from 1.3 percent in 1951 to 7.5 percent in 2015. In terms of contribution to the economy, road transport contributes about 3.3 percent of Gross Value Addition (GVA) against the total transport sector contribution of 5 percent in the GVA.

### Impact of GST

The implementation of GST has benefited the Indian economy by reducing high tax incidence and logistics costs. The unified tax replaces most indirect taxes, including the excise duty and service tax at the central level and VAT and local levies at the state level. Post GST, logistic cost is reduced to 10-12% of total value of goods as compared to 14% of total value of goods pre GST.

Source: [www.morth.nic.in](http://www.morth.nic.in)

### Key Challenges in the Logistics Industry

India, despite being a low-cost country, has higher logistics cost due to various issues and challenges faced by the industry. Apart from being entangled in complex tax structure the industry is also affected by poor rate of customs efficiency of clearance processes and procedures thus affecting the international export logistics stratum. Furthermore, sub-optimal comfort provided by the existing Indian infrastructure combined with lack of implementation of efficient IT-enabled tracking and tracing mechanisms has affected the performance of logistics. A country's competitiveness is measured by the ease of doing business. India stands at 35th position in the logistics performance index (LPI) amongst 160 countries around the world, with Germany on top, Singapore, China and United States of America in 5th, 9th, and 10th positions, respectively, as per the World Bank report 2016.

### Governmental Initiatives in Logistics Sector

- In November 2017, logistics sector was given the status of infrastructure, to boost investments in the sector.
- Budget allocation for road sector increased to US\$ 10.07 billion in 2017-18 from US\$ 8.99 billion in 2016-17.
- Road projects worth Rs 6.92 trillion (US\$ 107.64 billion) approved in October 2017.
- The Government is making an attempt to revive and give boost to Public Private Partnerships.

Source: IBEF

### Warehousing Facility

Warehousing forms a crucial link in the overall logistics value chain. It accounts for ~5% of the Indian logistics market (excluding inventory carrying costs, which amount to another ~30%). Warehousing in India has been evolving rapidly from being traditional —godowns -a mere four-wall-and-shed with sub optimal size, inadequate ventilation and lighting, lack of racking systems, poor hygiene conditions and lack of inventory management or evolved solutions such as warehouse management systems into modern setups with storage and handling points where raw material, intermediate and manufactured goods are collected, assorted, stored and distributed to the point of consumption/sale. As key end users are increasingly outsourcing their warehousing services, warehousing players are recognizing the need to be a part of the customer's logistics chain, as against being a landlord leasing out space. The size of the Indian warehousing industry (across commodities and modes) is pegged at about INR560 billion (excluding inventory carrying costs, which amount to another ~INR4,340 billion). The industry is growing at over 10% annually.

Source: CII

### Warehousing Capacity in India

Almost  $\frac{3}{4}$  of the organised warehousing sector is being controlled by Government PSUs such as the Food Corporation of India (FCI), Central Warehousing Corporation (CWC) and State Warehousing Corporations (SWCs). The current capacity of the organised warehouse, controlled by PSUs, cooperatives and private sector is 126.97 million metric tons, of which the private sector has only 18.97 million metric tons, the details are as follows:-

Sr. No.	Name of the organisation/Sector	Storage capacity in million tons
1.	Food Corporation of India	35.92
2.	Central Warehousing Corporation	11.72
3.	State Warehousing Corporations and state agencies	45.28
4.	Cooperative Sector	15.07
5.	Private Sector	18.97
6.	<b>Total</b>	<b>126.96</b>

Source: Annual Report-Warehousing Development and Regulatory Authority (WDRA)-2017

## OUR BUSINESS

### **About Incorporation:**

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 Registration No. U63090WB2011PLC165520 under the provisions of Companies Act, 1956 issued by the Registrar of Companies, West Bengal. We 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 was changed to “*Destiny Logistics & Infra Limited*” vide fresh Certificate of Incorporation Dated September 07, 2021.

### **Brief Overview of Our Company and Business:**

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 fleets 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. Our company has also diversified into infrastructure development activity as a new addition in our line of business activity.

Our Company has also diversified into infrastructure development activity and to start with we received a letter of Allocation from National Projects Construction Corporation Limited (NPCC Ltd.) vide their letter dated July 19, 2021 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**. Our Company has provided Performance Security amounting to Rs.1.75 Crores as part of the contractual terms in favor of NPCC Ltd. Whilst the initial spade work is in progress, the actual activity on ground will commence at the earliest possible timeframe.

### **Financial Highlights:**

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

Particulars	31-03-2021	31-03-2020	31-03-2019
Total Net Worth	1,00,14,950	69,84,937	64,73,507
Total Revenue	10,05,78,758	6,74,96,520	6,72,96,520
EBTIDA	44,12,992	6,91,650	6,45,354
Profit After Tax	30,30,013	5,11,430	4,77,562
Profit After Tax in %	3.01%	0.76%	0.71%

(In Rs.)

### **❖ 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 prevalent 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:**

##### **Strengths**

- Established operations and proven track record
- Smooth flow of operations and Business Model
- Experienced Management Team
- Satisfied customer with quality and service

##### **Weakness**

- Insufficient market reach
- Heavy dependence on third-party
- High working capital requirement

##### **Opportunities**

- Potential to provide other value-added services
- Expanding new geographical area
- Enhancing functional efficiency
- Opportunities in Indian Market
- Government thrust for growth in Indian Economy will boost the logistics & Infrastructure Industry

##### **Threats**

- Increased Competition from Big Players
- Change in Government Policies
- Rising labour wages
- Margins may be constrained in the future
- There are no entry barriers in our industry which puts us to the threat of competition from new entrants

**❖ Competition:**

The logistics industry in India is very 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. The details of department wise number of employees are given here below:

The total strength of manpower as on 31/08/2021 is 83 employees. The no of employees is depended on no. of projects in hand as our work is labor intensive for supplying of Manpower for Mechanized Cleaning, Catering, Housekeeping, Conservancy Service, Security Service, Catering Services, Contractual services, Supplying Goods & Services, Logistics and other related services.

Category wise details are as under:

Department	No. of Employees
Managing Director	1
Executive Director	1
CS	1
CFO	1
Administration	4
Casual Labour (Approx.)	75
<b>Total</b>	<b>83</b>

**INSURANCE POLICIES OF OUR COMPANY: -**

As on date of this draft prospectus, our company has not taken any insurance policy in its own name.

**List of Plant & Machinery**

As on date of this draft prospectus, we don't have any plant & Machinery.


**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:** 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.

### Utilities & Infrastructure Facilities:

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

### Collaboration/Tie-ups/Joint Ventures details:

As on date of this Draft Prospectus, our Company has not entered into any technical or other Collaboration / Tie Ups / Joint Ventures.

### Export and Export Obligations:

As on date of this Draft Prospectus, 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.

## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable.*

*The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local bye-laws. The following is an overview of the important laws, regulations and policies which are relevant to our business in India. Certain information detailed in this chapter has been obtained from publications available in the public domain. The description of law, regulations and policies set out below are not exhaustive, and are only intended to provide general information to bidders and is neither designed nor intended to be a substitute for professional legal advice.*

*In addition to what has been specified in this draft prospectus, taxation statutes such as the Income Tax Act, 1961 and Central Goods and Services Tax Act, 2017, various labor laws and other miscellaneous laws apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled “Government and Other Approvals” beginning on page no 123 of this draft prospectus.*

Depending upon the nature of the activities undertaken by our Company the following are the various regulations applicable to our company

### APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and Other Approvals” beginning on page number 123 of this draft prospectus.

### INDUSTRY RELATED LAW:

#### ***Warehousing (Development and Regulation) Act, 2007***

The Warehousing (Development and Regulation) Act, 2007 (the “Warehousing Act”) was notified and came into effect on September 19, 2007. The Warehousing Act prescribes, among other things, the form and manner of registration, development and regulation of warehouses. The Warehousing Act also provides for setting up of a Warehousing Development and Regulatory Authority (the “WDRA”) which comprises a chairman and not more than two other members. The WRDA has the duty to regulate and ensure implementation of the provisions of the Warehousing Act and promote orderly growth of the warehousing business. The powers and functions of the WRDA include, amongst others, (i) to regulate the process of pledge, creation of charges and enforcement thereof in respect of goods deposited with the warehouses; (ii) to promote efficiency while conducting the warehouse business; (iii) to promote professional organizations connected with the warehousing business; (iv) to maintain a panel of arbitrators and to nominate arbitrators from such a panel in disputes between warehouses and warehouse receipt holders; and (v) to determine the rate of, and levy, the fee and other charges for carrying out the provisions of the Warehousing Act.

#### ***Warehousing Regulations***

Public Warehouse Licensing Regulations, 2016, the Special Warehouse (Custody and Handling of Goods) Regulations, 2016 and the Private Warehouse Licensing Regulations, 2016 (collectively, the “Warehousing Regulations”) govern the issue of public, private and special warehouse licenses to different categories of applicants. The Warehousing Regulations stipulate the conditions for grant of warehouse licenses and also set out other requirements in relation to validity, surrender and transferability of the said licenses.

#### ***Carriage by Road Act, 2007***

Carriage by Road Act, 2007 came into force on March 1, 2011 superseding the erstwhile Carriers Act, 1865. The Carriage by Road Rules, 2011 came into force on the same day. This Act provides for the regulation of common carriers, limiting their liability and declaration of value of goods delivered to them to determine their liability for loss, or damage to, such goods occasioned by their negligence or criminal acts, their servants or agents and for incidental matters. Carriage by Road Act 2007 does not apply to the Government or private carriers. No person shall engage in the business of collecting, storing, forwarding or distributing goods to be carried by goods carriages under a goods receipt or transporting for hire of goods from place to place by motorized transport on road, for all persons indiscriminately and includes a goods booking company, contractor, agent, broker, and courier agency engaged in the door-to-door transportation of documents, goods or articles utilizing the services of a person, either directly or indirectly, to carry or accompany such documents, goods or articles, but does not include the Government.

***The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”):***

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

***Legal Metrology Act, 2009 (“Legal Metrology Act”):***

The Legal Metrology Act, 2009 came into effect on January 14, 2010 and has repealed and replaced the Standard of Weights and Measures Act, 1976 and the Standards of weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters incidental thereto. The Legal Metrology Act, inter alia, provides for: (a) approval of model of weight or measure; (b) verification of prescribed weight or measure by Government approved Test Centre; (c) exempting regulation of weight or measure or other goods meant for export; (d) nomination of a Director by a company who will be responsible for complying with the provisions of the enactment; (e) empowering the Central Government to make rules for enforcing the provisions of the enactment; and (f) penalty for offences and compounding of offences.

***Motor Transport Workers Act, 1961 (“MTWA”)***

The MTWA provides for the welfare of motor transport workers and to regulate the conditions of their work. It applies to every motor transport undertaking employing five or more motor transport workers. A ‘motor transport worker’ means a person who is employed in a motor transport undertaking directly or through an agency, whether for wages or not, to work in a professional capacity on a transport vehicle or to attend to duties in connection with the arrival, departure, loading or unloading of such transport vehicle and includes a driver, conductor, cleaner, station staff, line checking staff, booking clerk, cash clerk, depot clerk, time-keeper, watchman or attendant.

***Public Liability Insurance Act, 1991 (“PLIA”)***

The purpose of PLIA is to provide through insurance, immediate relief to persons affected due to accident while handling hazardous substance by the owners on a no fault liability basis. Where death or injury to any person (other than a workman) or damage to any property has resulted from an accident, the PLIA mandates that the owner is liable to give relief to such person as specified by the PLIA. The PLIA requires the owner to take out insurance policies before he starts handling any hazardous substance whereby he is insured against liability to give such relief.

***Prevention of Black Marketing and Maintenance of Supplies Act, 1980:***

Prevention of Black Marketing and Maintenance of Supplies Act, 1980. It is an Act for detention in certain cases or the purpose of prevention of black marketing and maintenance of supplies of commodities essential to the community and for matters concerned therewith.

***Environmental Regulations:***

Our Company is subject to Indian laws and regulations concerning environmental protection. The principal environmental regulations applicable to industries in India are the Water (Prevention and Control of Pollution) Act, 1974, the Water Access Act, 1977, the Air (Prevention and Control of Pollution) Act, 1981, the Environment Protection Act, 1986 and the Hazardous Wastes (Management and Handling) Rules, 1989. Further, environmental regulations require a company to file an Environmental Impact Assessment (EIA) with the State Pollution Control Board (PCB) and the Ministry of Environment and Forests (MEF) before undertaking a project entailing the construction, development or modification of any plant, system or structure. If the PCB approves the project, the matter is referred to the MEF for its final determination. The estimated impact that a particular project might have on the environment is carefully evaluated before granting clearances. When granting clearance, conditions may be imposed and the approving authorities may direct variations to the proposed project.

***The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008:***

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008, as amended (**Hazardous Wastes Rules**), which superseded the Hazardous Wastes (Management and Handling) Rules, 1989, state that the occupier will be responsible for safe and environmentally sound handling of hazardous wastes generated in his establishment. The hazardous wastes generated in the establishment of the occupier should be sent or sold to a recycler or re-processor or re-user registered or authorised under the Hazardous Wastes Rules or should be disposed of in an authorised disposal facility. The Ministry of Environment and Forests has been empowered to deal with the trans-boundary movement of hazardous wastes and to grant permission for transit of hazardous wastes through any part of India. No import of hazardous waste is permitted in India. The State Government, occupier, operator of a facility or any association of the occupier will be individually or jointly or severally responsible for, and identify sites for, establishing the facility for treatment, storage and disposal of hazardous wastes for the State Government.



***Shops and Commercial Establishments Act:***

The Company has its registered office in West Bengal, India. Accordingly, the provisions of the Shops and Commercial Establishments Act of respective states are applicable to the Company. The provisions of the Act regulate the Conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures, and wages for overtime work.

**INTELLECTUAL PROPERTY LEGISLATIONS:**

In-general the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trademarks Act, 1999

***Indian Patents Act, 1970:***

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

***The Copyright Act, 1957:***

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

***Trademarks Act, 1999 (“TM Act”):***

The Trademarks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

***Foreign Investment laws:***

Foreign investment in India is governed by the provisions of FEMA along with the rules, regulations and notifications made by RBI thereunder, and the Consolidated FDI Policy (“Consolidated FDI Policy”) issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”) from time to time.

In terms of applicable regulations notified under FEMA and the SEBI (Foreign Portfolio Investors) Regulations, 2014 (“SEBI FPI Regulations”), investments by Foreign Portfolio Investors (“FPIs”) in the capital of an Indian company under the SEBI FPI Regulations are subject to certain limits individual holding limits of 10% of the capital of the company per FPI and the aggregate holding limit of 24% of the capital of the company. However, the aggregate limit for FPI investment in a company can be increased up to the applicable sectoral cap by passing a resolution of the company’s board of directors, followed by a special resolution by the shareholders and prior intimation to the RBI.

**GENERAL CORPORATE COMPLIANCE:*****The Companies Act 1956 and the Companies Act, 2013:***

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One-Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

**EMPLOYMENT AND LABOUR LAWS:*****Employees' Provident Fund and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees Provident Fund Scheme, 1952:***

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

***Employees Deposit Linked Insurance Scheme, 1976:***

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

***The Employees Pension Scheme, 1995:***

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

***Workmen's Compensation Act, 1923:***

The Workmen's Compensation Act, 1923 provides that if personal injury is caused to a workman by accident during his employment, his employer would be liable to pay him compensation. However, no compensation is required to be paid (i) if the injury does not disable the workman for more than three days, (ii) where the workman, at the time of injury, was under the influence of drugs or alcohol or (iii) where the workman wilfully disobeyed safety rules.

***Payment of Bonus Act, 1965:***

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day.

***Payment of Gratuity Act, 1972:***

Under the Payment of Gratuity Act, 1972, an employee in a factory or any other establishment in which 20 or more than 20 persons are employed on any day during an accounting year who is in continuous service for a period of five years notwithstanding that his service has been interrupted during that period by sickness, accident, leave, absence without leave, lay-off, strike, lock-out or cessation of work not due to the fault of the employee is eligible for gratuity upon his retirement, superannuation, death or disablement.

***Minimum Wages Act, 1948 ("MWA"):***

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

***Maternity Benefit Act, 1961:***

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments



in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

***Equal Remuneration Act, 1979:***

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

***Child Labour Prohibition and Regulation Act, 1986:***

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

***Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001:***

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

***Contract Labour (Regulation and Abolition) Act, 1970:***

The Company is regulated by the provisions of the Contract Labour (Regulation and Abolition) Act, 1970 (CLRA) which requires the Company to be registered as a principal employer and prescribes certain obligations with respect to welfare and health of contract labourers. The CLRA vests responsibility in the principal employer of an establishment, to which the CLRA applies, to make an application to the concerned officer for registration of the concerned establishment. In the absence of such registration, contract labour cannot be employed in the concerned establishment. Likewise, every contractor, to whom the CLRA applies, is required to obtain a license and may not undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

***The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013:***

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an "Internal Complaints Committee" and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

***Industrial Disputes Act, 1947 ("ID Act") and Industrial Dispute (Central) Rules, 1957:***

The ID Act and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

## TAX RELATED LEGISLATIONS

### ***Goods and Service Tax (GST):***

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act, 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the center and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise– goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

## OTHER LAWS

### ***Municipality Laws:***

Pursuant to the Seventy Fourth Amendment Act, 1992, the respective State Legislatures in India have the power to endow the Municipalities (as defined under Article 243Q of the Constitution of India) with the power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India which includes regulation of public health. The respective States of India have enacted laws empowering the Municipalities to regulate public health including the issuance of a health trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

### ***Police Laws:***

The State Legislatures in India are empowered to enact laws in relation to public order and police under Entries 1 and 2 of the State List (List II) to the Constitution of India. Pursuant to the same the respective States of India have enacted laws regulating the same along with prescribing penalties for non-compliance.

### ***Approvals from Local Authorities:***

Setting up of a Factory or Manufacturing/Housing unit/Establishments entails the requisite Planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents from the state Pollution Control Board(s), the relevant state Electricity Board(s), the State Excise Authorities, Sales Tax, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

### ***The Indian Contract Act, 1872:***

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as 'void' or 'voidable'. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

### ***Transfer of Property Act, 1882:***

The transfer of property is governed by the Transfer of Property Act, 1882 ("T.P. Act"). The T.P. Act establishes the general principles relating to the transfer of property including among other things identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property.

### ***Registration Act, 1908:***

The Registration Act, 1908 ("Registration Act") has been enacted with the object of providing public notice of execution of documents affecting a transfer of interest in property. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. Section 18 of the Registration Act provides for non-compulsory registration of documents as enumerated in the provision.



***FEMA Regulations:***

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") & Foreign Exchange Management (Non-debt Instruments) Rules, 2019 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

## OUR HISTORY AND CERTAIN CORPORATE MATTERS

### History and Background:

Our Group was founded and promoted by Mr. Jugal Kishore Bhagat who made a modest beginning in the transportation and clearing field in the year dated back to 1996 and thereafter in around 1999 Mr. Bhagat commenced his own venture under a proprietorship structure and started to cater as a vendor by supplying food products and other commodities to Indian Navy and other private organization. In the same year, Mr. Bhagat ventured in deployment of manpower to Indian Navy and Indian Army and South Eastern Railways and thus started his entrepreneurial journey.

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 registration no U63090WB2011PLC165520 under the provisions of Companies Act, 1956 issued by the Registrar of Companies, West Bengal. We have received the Certificate of commencement of business on August 17, 2011, issued by the Registrar of Companies, West Bengal. Subsequently, name of the company changed to “*Destiny Logistics & Infra Limited*” vide fresh certificate of incorporation dated September 07, 2021.

Our company was founded and promoted by Mr. Jugal Kishore Bhagat and Mrs. Rekha Bhagat and since incorporation 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 fleets both contractually and in spot market. We offer our customers transport management services and arrange for third party-operator to handle freight related business. We provide complete services like packaging, loading, unloading and unpacking of items along with complete 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. Our company forayed in the infrastructure development space by bagging a contract from a Government entity.

Our company has also diversified into infrastructure development activity and received a letter of Intent from National Projects Construction Corporation Limited (NPCC Ltd.) vide their letter dated July 19, 2021 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 to the tune of **Rs. 58.27 crores**. Our Company has also provided the Performance Security amounting to Rs.1.75 Crores as part of the contractual terms in favour of NPCC Ltd. Whilst the necessary spade work have commenced, the actual on ground activity will commence at the earliest.

### Changes in registered office of our Company since incorporation

Registered Office of our company was changed from 375, Dakshindari Road, Kolkata – 700 048, West Bengal to Flat - 2, Ground Floor, 3/A Mukherjee Lane, Belur, Howrah - 711202, West Bengal vide Board Resolution dated 5<sup>th</sup> September, 2017. The Registered office once again changed from Flat - 2, Ground Floor, 3/A Mukherjee Lane, Belur, Howrah - 711202, West Bengal to 375, Dakshindari Road, Kolkata – 700 048, West Bengal vide Shareholder’s Resolution dated 31<sup>st</sup> March, 2021. There is no subsequent change in the registered office of our company since incorporation.

### Main Objects of our Company:

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

1. To carry on the trades or businesses of Builders, Contractors, Decorators, Plumbers and Sanitary Engineers, in their various branches and all other kindred trades or businesses which may be conveniently carried on in connection therewith.
2. To construct, execute, carry out, equip, improve, alter, develop, decorate, maintain, furnish, administer, manage or control public and private works and conveniences of all kinds including railways, ropeways, bridges, tramways, docks, harbours, piers, wharves, canals, reservoirs, embankments, aqueducts, irrigations, reclamation, improvement, sewage, drainage, sanitary water, gas, electric & appliances, solar panels & equipments, telephonic, telegraphic and power supply works, and hotels, warehouses, market, bazars, places of amusement, pleasure grounds, parks, gardens, shops, offices, flats, houses, saw mill, crushing works, hydraulic works, tanneries, factories and public buildings and all other works of conveniences or other public or private utility.
3. To carry on the business of all type of owners, hirers, forwarding agents, chartering agents, loading brokers and contractors, freight forwarders and brokers and contractors, carriers by land, water, air, multimodal operators, cartage and haulage contractors, on dock container depot operators and container and cargo business related service providers for any and all types of cargo and containers;
4. To carry on the business to operate, manage, use, purchase, own, hire, rent or otherwise acquire terminal container freight stations, warehouses, provide facilities and services for container and cargo operations including but not limited to handling, storage, distribution, repair, refurbishment, container and cargo survey, leasing;
5. To carry on the business of establishing, promoting, developing, providing, operating, handling and organizing the services and consultancy in logistics, supply chain management, distribution, customs clearing and IT enabled services;



6. To carry on the business in India or abroad all or any of the business of multimodal transport operator such as lorry operators, oil tank operators, garage owners, service station, spare and accessories shop owners and charterers of road vehicles, air crafts, ships, trucks, barges and boats of every description, lighter man, carriers of goods, cargo by road, rail, water, air, carmen, cartage, contractors, stevedores, wharlingers, cargo superintendents, packers, haulers, warehousemen, store keepers and job master.
7. To carry on in India or elsewhere the business of technical, legal, financial and management consultants, advisers, innovators, software, designer, marketers, fund managers, administrators, agents, recruitment and placement consultancy service providers, impart training in various fields, areas and subjects including but not limited to vocational training through any form viz. classroom, electronic media or training by correspondence and to carry of the business of conceptualizing, designing, execution and operation of all activities pertaining or relating to contract employees or of employee leasing by offering services from time to time for outsourcing administration of employees, labour deployment in both public and private sector and all administrative activities related thereto and enter into collaborations, joint venture agreements in India and with companies abroad and to do all other incidental things acts necessary for the attainment of the main object.

### **Amendments to the Memorandum of Association and Article of Association of our Company**

Since the incorporation of our Company, the following changes have been made to the Memorandum of Association:

<b>Sl. No.</b>	<b>Date of Amendments / Shareholder's Resolution</b>	<b>Amendments</b>
1	04/12/2017	(i) Altered the provisions of its memorandum of Association and Articles of Association with respect to Companies Act, 2013. (ii) Amendment of the Liability Clause of the MOA (iii) Increase in Authorized Share Capital from ₹10,00,000 to ₹50,00,000
2	10/05/2021	(i) Increase in Authorized Share Capital from ₹50,00,000 to ₹10,00,00,000
3	27/07/2021	(i) Change of name of the Company (ii) Adoption of new Articles of Association of the Company (iii) Change in Object clause of the Company

### **Capital raising (Debt / Equity)**

Except as set out in the sections titled "*Capital Structure*" and "*Financial Indebtedness*" beginning on page no 40 and 112 respectively of this draft prospectus, our Company has not raised any capital in the form of Equity Shares or debentures.

### **Holding/Subsidiary/Joint Ventures of the Company**

Our company does not have any subsidiary or Joint Venture Company.

### **Injunction or restraining order**

Our Company is not operating under any injunction or restraining order.

### **Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks**

There are no defaults or rescheduling of borrowings with financial institutions/ banks.

### **Details regarding past performance of the company.**

For details in relation to our past financial performance in the previous 3 (three) financial years, please refer to section titled "*Financial Statements as restated*" beginning on page no. 94 of this draft prospectus.

### **Details regarding acquisition of business /undertakings, mergers, amalgamation, revaluation of assets etc.**

Except as mentioned in chapter "*Our History and Certain Corporate Matters*" beginning on page no. 75, there are no mergers, amalgamation, revaluation of assets etc. with respect to our Company as on the date of this draft prospectus.

### **Changes in the activities of our Company during the last five (5) years**

Except as mentioned in chapter "*Our History and Certain Corporate Matters*" beginning on page no. 75, there have been no changes in the activity of our Company during the last five (5) years to the extent applicable, preceding as on the date of this draft prospectus, which may have had a material effect on the profits or loss, including discontinuance of the lines of business, loss of agencies or markets and similar factors of our Company. However, our Company has added another line of business in the infrastructure space, whose operations will commence shortly.

### **Revaluation of Assets**

Our Company has not revalued its assets as on the date of this draft prospectus.

### **Shareholders of our Company**

As on the date of this draft prospectus, our Company has 7 shareholders. For further details in relation to the current shareholding pattern, please refer to section titled "*Capital Structure*" beginning on page no. 40 of this draft prospectus.



**Collaboration Agreements**

Our Company has not entered into any Collaboration Agreements as on the date of this draft prospectus.

**Shareholders Agreements**

Our Company has not entered into any shareholders agreement as on the date of this draft prospectus.

**Other Agreements**

Our Company has not entered into any specific or special agreements except that have been entered into in ordinary course of business into more than two years before the date of filing of this draft prospectus.

**Non-Compete Agreement**

Our Company has not entered into any Non-compete Agreement as on the date of this draft prospectus.

**Strategic Partners**

Our Company does not have any strategic partners as on the date of this draft prospectus.

**Financial Partners**

Our Company does not have any financial partners as on the date of this draft prospectus.



**OUR MANAGEMENT****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. Currently, our Company has 5 (Five) Directors on our Board. 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 prospectus:

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	37 Years
	Designation	Managing Director
	DIN	03564763
	Occupation	Business
	Nationality	Indian
	Qualification	Bachelor of Arts from North Bengal University
	No. of Years of Experience	11 Years
	Date of Appointment	28/07/2011
	Terms of Appointment	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	

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, Rai Bahadur Road, Kolkata-700053, West Bengal
	Date of Birth	03/08/1969
	Age	52 Years
	Designation	Executive Director
	DIN	02229913
	Occupation	Business
	Nationality	Indian
	Qualification	Higher Secondary
	No. of Years of Experience	10 years
	Date of Appointment	28/07/2011
	Terms of Appointment	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	45 Years
	Designation	Non- Executive Director
	DIN	02218545
	Occupation	Business
	Nationality	Indian
	Qualification	Bachelor of Commerce from Calcutta University
	No. of Years of Experience	25 Years
	Date of Appointment	28/07/2011
	Terms of Appointment	Liable to retire by rotation
Directorship in other companies	1. Unique Floriculture Projects Limited 2. Dynamic Services & Security 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	28 Years
	Designation	Independent Director
	DIN	07656863
	Occupation	Business
	Nationality	Indian
	Qualification	B. Com (H)
	No. of Years of Experience	5 Years
	Date of Appointment	19.08.2021
	Terms of Appointment	5 Years
Directorship in other companies	1. Sector Realty Private Limited 2. Storesvilla Private Limited 3. Rathe Knowledge Stipendium Advisory Private Limited 4. Sabita Research & Technical Development Private 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	28 Years
	Designation	Independent Director
	DIN	09271786
	Occupation	Business
	Nationality	Indian
	Qualification	B. Com, M. Com
	No. of Years of Experience	5 years
	Date of Appointment	19.08.2021
	Terms of Appointment	5 years
Directorship in other companies	NIL	

**Brief Biographies of the Directors**

1. **Mrs. Rekha Bhagat**, aged about 37 years is having an experience of 11 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 52 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 45 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 28 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 28 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

**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 prospectus.

**Service Contracts**

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

**Common directorships of the Directors in companies whose shares are/were suspended from trading on the NSE and/ or the BSE for a period beginning from five (5) years prior to the date of this draft prospectus**

None of the Directors are/were directors of any company whose shares were suspended from trading by Stock Exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five (5) years or to the extent applicable.

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

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

**Common directorships of the Directors in listed companies that have been/were delisted from stock exchanges in India**

None of the Directors are/were directors of any entity whose shares were delisted from any Stock Exchange(s).

Further, none of the directors are/ were directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other Regulatory Authority.

**Borrowing Powers of the Board**

The Articles, subject to the provisions of Section 180(1)(c) of the Companies Act, 2013 authorize the Board to raise, borrow

or secure the payment of any sum or sums of money for the purposes of our Company. The Shareholders vide a special resolution passed at the Extra Ordinary General Meeting dated 07/04/2021, has set the borrowing limit of Rs.25.00 crores (Rupees Twenty-Five Crores).

**Policy on Disclosures and Internal Procedure for Prevention of Insider Trading:**

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the EMERGE platform of NSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

**Policy for Determination of Materiality & Materiality of Related Party Transactions and on Dealing with Related Party Transactions:**

The provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on EMERGE platform of NSE. We shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on listing of Equity Shares on the EMERGE platform of NSE.

**Remuneration to Executive Directors**

The compensation payable to Executive Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2 (54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force)

**Payment or benefit to Non-Executive Directors of Our Company**

Apart from the remuneration to Executive Directors, if any as provided, our Non-Executive Directors are entitled to be paid a sitting fee up to the limits prescribed by the Companies Act, 2013 and the Rules made there under and actual travel, boarding and lodging expenses for attending the Board or committee meetings. They may also be paid commissions and any other amounts as may be decided by the Board in accordance with the provisions of the Articles, the Companies Act and any other applicable Indian laws and regulations.

**Shareholding of Directors in our Company**

The details of the shareholding of our directors as on the date of this draft prospectus are as follows:

Sl. No.	Name of the Shareholder	No. of Equity Shares	Percentage of Pre-Issue Capital (%)	Percentage of Post-Issue Capital (%)
1	Jugal Kishore Bhagat	37,91,273	75.83%	49.27%
2	Rekha Bhagat	11,94,727	23.89%	15.52%
3	Mithilesh Kumar Jha	10,000	0.20%	0.13%
	<b>Total</b>	<b>49,96,000</b>	<b>99.92%</b>	<b>64.92%</b>

**Interest of our Directors**

Our directors may be deemed to be interested to the extent of their remunerations paid to them for services rendered and with the reimbursement of expenses payable to them as mentioned above. For further details, please refer to section titled **“Our Promoters and Promoter Group”** beginning on page no. 88 of this draft prospectus.

Further, none of our directors have any interest in any property acquired by our Company within two (2) years of the date of this draft prospectus or proposed to be acquired by it or in any transaction in acquisition of land or any construction of building. Further, except as disclosed under sub-section **“Shareholding of Directors in our Company”** above, none of our Directors hold any Equity Shares, Preference Shares or any other form of securities in our Company. Our directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue.

Other than as stated above and except as stated in the sections titled **“Financial Information as Restated”** and **“Our Promoters and Promoter Group”** beginning on pages 94 and 88 respectively of this draft prospectus, our Directors do not have any other interest in the business of our Company.

None of the relatives of our directors have been appointed to a place or office of profit in our Company other than mentioned elsewhere in the Draft prospectus. For further details, please refer to section titled **“Our Management – Remuneration to Executive Directors”** beginning on page 78 of this draft prospectus.



Our directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, promoters, and /or trustees pursuant to this Issue. Some of the directors also hold directorships in Promoter Group and Group Entities of our Company.

Our directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares. Except as stated in this section **“Our Management”** or the section titled **“Financial Information - Related Party Transactions”** beginning on page no 78 and 111 respectively of this draft prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in the business of our Company.

### Changes in our Company’s Board of Directors during the last three (3) years

Changes in the Board of Directors of our Company in the last three (3) years or to the extent applicable are as follows:

Name of Director	Date of Appointment	Date of Change of Designation	Date of cessation	Reason
Mrs. Rekha Bhagat	28/07/2011	19/08/2021	-	Appointed as Managing director
Mr. Shir Sagar Pandey	19/08/2021	-	-	Appointed as Independent director
Ms. Sweta Chaurasia	19/08/2021	-	-	Appointed as Independent director

### Other Confirmations:

- None of our Directors are on the RBI List of willful defaulters as on the date of this draft prospectus.
- None of our Promoters or Directors of our Company are a fugitive economic offender.
- Further, none of our directors are or were directors of any listed company whose shares.
  - (a) have been or were suspended from trading on any of the stock exchanges during the five years prior to the date of filing this draft prospectus or.
  - (b) delisted from the stock exchanges.
- 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.
- In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence etc. except as mentioned in the **“Outstanding Litigation”** Chapter beginning on page no 118 of this draft prospectus.

### 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 draft 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.]
- 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 draft 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	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 Nomination and Remuneration Committee.

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

The scope, functions and the terms of reference of the Nomination and Remuneration Committees 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.

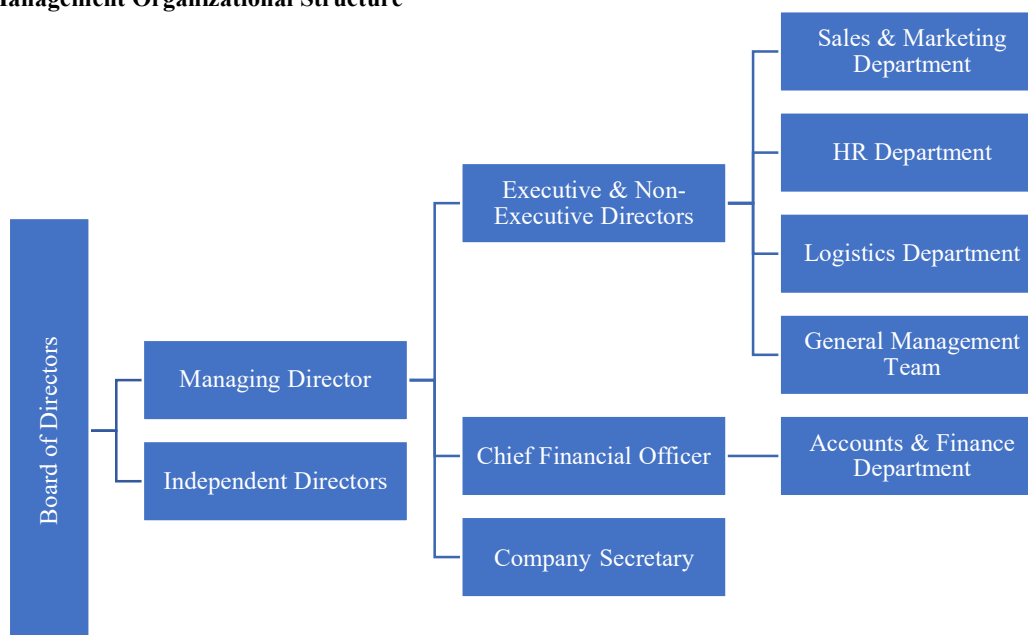
#### ○ **Corporate Social Responsibility Committee:**

***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 prospectus. We will comply with the requirement as and when the CSR is applicable to us.



## Management Organizational Structure



### Our Key Managerial Personnel

The details of the Key Managerial Personnel as on the date of this draft prospectus 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 78 of this Draft Prospectus.
2. **Mr. Prasenjit Biswas**, aged 30 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 been appointed as Chief Financial Officer (CFO) of the Company. He has an experience of 3 years in accounts & finance.
3. **Mr. Mustafa Rangwala**, aged 26 Years, qualified as a Company Secretary in 2019 from The Institute of Company Secretaries of India. He has Graduated from the University of Calcutta with Honors degree in Commerce. He has been appointed as Company Secretary and Compliance officer of the company 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 and Mr. Mithilesh Kumar Jha (Executive Director) holds 10,000 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 prospectus.

### 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 prospectus, 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 prospectus 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 as Restated**" beginning on page no 94 of this draft prospectus, 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 prospectus.

#### **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 prospectus.

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

None of the Directors or Key Managerial Personnels have availed loan from our Company which is outstanding as on the date of this draft prospectus.

#### **Changes in Our Company's Key Managerial Personnel during the last three (3) years**


The changes in the Key Managerial Personnel of our Company in the last three (3) years or to the extent applicable are as follows:


No.	Name of the Key Managerial Personnel & Designation	Date of Appointment	Date of Resignation	Reason
1	Mrs. Rekha Bhagat (Managing Director)	19/08/2021	-	Designation changed to Managing Director in the interest of the company.
2	Mr. Prasenjit Biswas (Chief Financial Officer)	19/08/2021	-	Appointed as Chief Financial Officer in the interest of the Company.
3	Mr. Mustafa Rangwala (Company Secretary)	19/08/2021	-	Appointed as Company Secretary in the interest of the Company.

**OUR PROMOTERS AND PROMOTER GROUP**
**1. Our Promoters:**

Our Promoters are (i) Mr. Jugal Kishore Bhagat and (ii) Mrs. Rekha Bhagat. As on the date of this draft prospectus, our Promoters jointly hold 49,86,000 Equity Shares which in aggregate, almost constitutes 99.72% of the pre issued and paid-up Equity Share capital of our Company.

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

	<p>Mr. Jugal Kishore Bhagat, aged 45 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> and <b>“Group Entities of our Company”</b> beginning on page 78 and 91 respectively of this draft prospectus.</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
<b>Aadhar Card No.</b>	[REDACTED]
<b>Election Card No.</b>	WB/20/139/630242
<b>Passport No.</b>	Z6175838

	<p>Mrs. Rekha Bhagat aged about 37 years is having an experience of 5 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 2016, Mrs. Bhagat, started her own business as proprietor of Proprietorship firm named as Dynamic Enterprise, and in the year 2017, 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> and <b>“Group Entities of our Company”</b> beginning on page 78 and 91 respectively of this draft prospectus.</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
<b>Aadhar Card No.</b>	[REDACTED]
<b>Election Card No.</b>	XOY1391895
<b>Passport No.</b>	T1030253

Our Company confirms that it will submit the details of the PAN, Bank Account Number, Passport and Aadhar Card of our Promoters to NSE separately at the time of filing the draft prospectus.

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

We don't have any Body Corporate Promoters

**Other Information related to Our Company:****Interests of our Promoters:**

Our Promoters are interested in our Company to the extent of their respective Equity shareholding in our Company and any dividend distribution that may be made by our Company in the future. For details pertaining to our Promoters' shareholding, please refer to section titled "**Capital Structure**" beginning on page 40 of this draft prospectus. Further, our promoters may also be interested to the extent they are Directors on our Board. For further information on remuneration to the Executive Directors, please refer to section titled "**Our Management**" beginning on page 78 of this draft prospectus.

Our Promoters have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested, and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.

None of our Promoters or Group Entities have any interest in any property acquired by our Company within two (2) years of the date of this draft prospectus or proposed to be acquired by it or in any transaction in acquisition of land or any construction of building or supply of machinery.

**Interest of Promoters in Sales and Purchases:**

There are no sales/purchases between our Company and our Group Entity other than as stated in the section titled "**Group Entities of our Company**". For further details, please refer to section titled "**Financial Information - Related Party Transactions**" beginning on page no. 111 of this draft prospectus.

**Confirmations:**

Our Company hereby confirms that:

- None of our Promoters have been declared as a willful defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by the Promoters in the past nor any pending against them.
- None of our Promoters, Promoter Group or Directors or persons in control of our Company or bodies corporate forming part of our Promoter Group have been (i) prohibited from accessing the capital markets under any order or direction passed by SEBI or any other authority or (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

**Payment or benefits to the Promoters in the last two (2) years:**

No payment or benefit has been made to the Promoters except as disclosed in the related party transaction. For further details, please refer to section titled "**Financial Information - Related Party Transactions**" beginning on page no. 111 of this draft prospectus.

**Disassociation by the Promoters from entities in last three (3) years:**

Except as mentioned below, none of our promoters has been disassociated from any of the entity in last 3 years.

Name of Director	Name of the Company	Date of appointment	Date of cessation	Reason
Mr. Jugal Kishore Bhagat	Fitzroy Energy & Minerals Limited	09/05/2017	31/01/2019	Resign u/s 168 due to personal reason
	Rathe Knowledge Stipendium Advisory Pvt Ltd	28/07/2017	28/02/2020	Resign u/s 168 due to personal reason

**Litigation details pertaining to our Promoters:**

For details on litigations and disputes pending against the Promoters and defaults made by our Promoters please refer to section titled "**Outstanding Litigations and Material Developments**" beginning on page no. 118 of this draft prospectus.

## 2. Our Promoter Groups:

In compliance with SEBI Guideline, “Promoter Group” pursuant to the regulation 2(1)(pp) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, we confirm that following persons are part of promoter group:

### A) The promoter;

Sl. No.	Name of the Promoters
1	Mr. Jugal Kishore Bhagat
2	Mrs. Rekha Bhagat

### B) Natural persons i.e., an immediate relative of the promoter (i.e., any spouse of that person, or any parent, brother, sister or child of the person or of the spouse);

Relationship	Name of the Promoters	
	Mr. Jugal Kishore Bhagat	Mrs. Rekha Bhagat
Father	Hari Narayan Bhagat	Prahlad Prasad Raut
Mother	Ramsikil Bhagat	Pramila Debi Rauth
Brother	Vijay Kishore Bhagat	Sanjit Routh and Ranjit Routh
Sister	--	Sulekha Bhagat
Spouse	Rekha Bhagat	Jugal Kishore Bhagat
Son	Shree Rang Bhagat	Shree Rang Bhagat
Daughter	Jasmine Bhagat	Jasmine Bhagat
Spouse's Father	Prahlad Prasad Raut	Hari Narayan Bhagat
Spouse's Mother	Pramila Debi Rauth	Ramsikil Bhagat
Spouse's Brother	Sanjit Routh and Ranjit Routh	Vijay Kishore Bhagat
Spouse's Sister	Sulekha Bhagat	--

### C) In case promoter is a body corporate: - Not Applicable

Nature of Relationship	Entity
Subsidiary or holding company of Promoter Company.	N. A.
Any Body corporate in which promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the promoter (Body Corporate).	N. A.
Anybody corporate in which a group of individuals or companies or combinations thereof acting in concert, which hold 20% or more of the equity share capital in that body corporate and such group of individuals or companies or combinations thereof also holds 20% or more of the equity share capital of the issuer and are also acting in concert.	N. A.

### D) In case the promoter is an individual:

Nature of Relationship	Entity and Relation
Any Body Corporate in which 20% or more of the equity share capital is held by promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relatives is a member.	1. Unique Floriculture Projects Limited 2. Dynamic Services & Security Limited 3. Ashvika Fashions Private Limited
Any Body corporate in which Body Corporate as provided above holds 20% or more of the equity share capital.	NIL
Any Hindu Undivided Family or firm in which the aggregate share of the promoter and his immediate relatives is equal to or more than twenty percent of the total capital.	<b>Sole Proprietorship firms of Mr. Jugal Kishore Bhagat</b> Dynamic Services (Taken over by Dynamic Services & Security Limited) Pragati General Order Supplier  <b>Sole Proprietorship firms of Mrs. Rekha Bhagat</b> Dynamic Enterprises (Taken over by Dynamic Services & Security Limited) Dynamic Construction Dynamic Food Suppliers

### E) All persons whose shareholding is aggregated under the heading "shareholding of the promoter group":

Sl. No.	Name of shareholders under promoter group
1	Mr. Jugal Kishore Bhagat
2	Mrs. Rekha Bhagat

**GROUP ENTITIES OF OUR COMPANY**

In compliance with SEBI Guideline, “*Group Companies/Entities*” pursuant to the regulation 2(1)(t) of SEBI (ICDR) Regulations, 2018, shall include companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards and also other companies as are considered material by the Board.

Based on the above, the following are our Group Entities (Companies which are no longer associated with our Company have not been disclosed as Group Companies): -

1) *Dynamic Services & Securities Limited*

The brief details of above are as under:

*Dynamic Services & Securities Limited*

<b>Name of the Company</b>	<b>Dynamic Services &amp; Securities Limited</b>		
<b>Category</b>	Public Limited Company (Proposed to be listed in Emerge Platform of National Stock Exchange of India Limited)		
<b>Name of Director</b>	Jugal Kishore Bhagat Rekha Bhagat Rekha Devi Bhagat Pranay Mishra Hakimuddin Siyawala Dipanjan Paul		
<b>Brief Description and nature of activity or Business</b>	Manpower Supply services, logistic solutions,		
<b>Date of Incorporation</b>	22 <sup>nd</sup> November, 2016		
<b>CIN</b>	U74999WB2016PLC218387		
<b>PAN</b>	AAGCD1656A		
<b>Registered Office Address</b>	375, Dakshindari Road Kolkata-700048, West Bengal.		
<b>Audited Financial Information (in ₹):</b>			
<b>Particulars</b>	<b>FY 2020-21</b>	<b>FY 2019-20</b>	<b>FY 2018-19</b>
<b>Share Capital</b>	1,00,000	1,00,000	1,00,000
<b>Reserves and Surplus</b>	2,20,26,411	1,15,76,213	16,774
<b>Net worth</b>	<b>2,21,26,411</b>	<b>1,16,76,213</b>	<b>1,16,774</b>
<b>Total Revenue</b>	<b>70,96,30,672</b>	<b>46,52,648</b>	<b>43,36,320</b>
<b>Profit/(Loss) after tax</b>	1,04,50,198	1,54,508	79,878
<b>Earnings per share (face value of ₹ 10/- each)</b>	1,045.02	15.45	7.99
<b>Net asset value per share (₹)</b>	2,212.64	1167.62	11.68



## RELATED PARTY TRANSACTIONS

For details on related party transactions (As per the requirement under Accounting Standard 18 “Related Party Disclosure” issued by ICAI) of our Company during the restated audit period as mentioned in this draft prospectus i.e., for the financial year ended on 31<sup>st</sup> March 2021, 31<sup>st</sup> March 2020 and 31<sup>st</sup> March 2019 please refer to Section titled, **Financial Information - Related Party Transactions**, beginning on page 111 of this draft prospectus.



## 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 IX: FINANCIAL INFORMATION AS RESTATED***Independent Auditor's Report on Restated Financial Statements of M/s. Destiny Logistics Limited*

**To,**  
**The Board of Director**  
**Destiny Logistic Limited**  
375, Dakshindari Road, Kolkata - 700048,  
West Bengal, India

Dear Sir,

1. We have examined the attached restated standalone financial Information along with significant accounting policies and related notes, restated summary statement of profit and loss and restated summary statement of cash flows as at and for the financial year ended on March 31, 2021, March 31, 2020, and March 31, 2019, the Summary Statement of Significant Accounting Policies, and other explanatory information and financial information of **Destiny Logistic Limited** (hereinafter referred to as “**the Company**”), comprising Restated Statement of Assets and Liabilities as at and for the financial year ended on March 31, 2021, March 31, 2020, and March 31, 2019, restated summary statement of profit and loss and restated summary statement of cash flows as at and for the financial year ended on March 31, 2021, March 31, 2020, and March 31, 2019 (collectively referred to as the “**Restated Financial Information**”) annexed to this report and initialed by us for identification purposes. These restated financial statements have been prepared by the management and approved by the Board of Directors in connection with the Initial Public Offering (IPO) on *EMERGE Platform of National Stock Exchange of India Limited (NSE EMERGE)*.
2. These 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 Draft Prospectus/prospectus to be filed with Securities and Exchange Board of India, Stock Exchange and Registrar of Companies in connection with the proposed IPO. 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 to our engagement letter with you, requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering 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 compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the SME IPO.
5. The 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, 2021, March 31, 2020, and March 31, 2019, 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, 2021, March 31, 2020 and March 31, 2019 which has been conducted by **M/s. Kumar Roybarman Prasanta & Associates**, Chartered Accountant, statutory auditor of the company. The financial report included for these periods is based solely on the report submitted by them and no routine audit has been carried out by us.
7. We have Re-audited Financial Statement of the Company as required under the SEBI ICDR Regulations and relevant guideline for the financial years ended on March 31, 2021.
8. 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, 2021, March 31, 2020 and March 31, 2019 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, 2021, March 31, 2020 and March 31, 2019 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, 2021, March 31, 2020 and March 31, 2019 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, 2021, March 31, 2020 and March 31, 2019 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;

9. 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, 2021, March 31, 2020 and March 31, 2019 proposed to be included in the Draft Prospectus / Prospectus (“Offer Document”) of company.

Annexure No.	Particulars
<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 Parties & Transactions
X	Statement of Dividends
XI	Changes in the Significant Accounting Policies
XII	Contingent Liabilities

10. 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.
11. 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.



12. 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.
13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
14. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO 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: 08<sup>th</sup> September 2021**  
**UDIN No: 21009491AAAAEN4597**

**ANNEXURE - I**  
**STATEMENT OF ASSETS & LIABILITIES, AS RESTATED**

Particulars	Note No.	As on		
		31-03-2021	31-03-2020	31-03-2019
<b>Equity &amp; Liabilities</b>				
<b>1. Shareholders Fund</b>				
a) Share capital	I.1	50,00,000	50,00,000	50,00,000
b) Reserves and surplus	I.2	50,14,950	19,84,937	14,73,507
<b>Total Shareholder's Fund</b>		<b>1,00,14,950</b>	<b>69,84,937</b>	<b>64,73,507</b>
<b>2. Non Current Liabilities</b>				
a) Long Term Borrowings	I.3	26,63,455	-	-
b) Deferred Tax Liability	I.4	-	-	-
<b>Total Non Current Liabilities</b>		<b>26,63,455</b>	<b>-</b>	<b>-</b>
<b>3. Current Liabilities</b>				
a) Short Term Borrowings	I.5	3,48,34,888	90,49,901	90,81,555
b) Trade Payables	I.6	37,98,500	11,20,350	18,58,651
c) Other Current Liabilities	I.7	1,29,45,927	1,16,560	10,500
d) Short Term Provisions	I.8	18,19,393	7,38,963	5,58,743
<b>Total Current Liabilities</b>		<b>5,33,98,708</b>	<b>1,10,25,774</b>	<b>1,15,09,449</b>
<b>Total Equity &amp; Liability</b>		<b>6,60,77,112</b>	<b>1,80,10,711</b>	<b>1,79,82,956</b>
<b>4. Non-Current Assets</b>				
a) Fixed Assets				
- Tangible Assets	I.9	1,10,800	-	-
- Intangible Assets		-	-	-
- Work-In-Progress		-	-	-
<b>Total Fixed Assets</b>				
b) Non - current Investments	I.10	-	-	-
c) Deferred Tax Assets (Net)	I.4	15,305	-	-
d) Long Term Loans and Advances	I.11	-	-	-
e) Other Non- current Assets	I.12	-	-	-
<b>Total Non Current Assets</b>		<b>1,26,105</b>	<b>-</b>	<b>-</b>
<b>5. Current assets</b>				
a) Inventories	I.13	42,29,303	-	-
b) Trade Receivables	I.14	3,58,36,185	1,65,04,570	1,75,02,215
c) Cash and Cash Equivalents balances	I.15	1,37,416	43,632	1,08,568
d) Short Term Loans and advances	I.16	2,46,13,645	10,00,000	-
e) Other Current Assets	I.17	11,34,458	4,62,508	3,72,173
<b>Total Current Assets</b>		<b>6,59,51,007</b>	<b>1,80,10,711</b>	<b>1,79,82,956</b>
<b>Total Assets</b>		<b>6,60,77,112</b>	<b>1,80,10,711</b>	<b>1,79,82,956</b>

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

**ANNEXURE - II**  
**STATEMENT OF PROFIT & LOSS, AS RESTATED**

Particulars	Note No.	For the Year ended on		
		31-03-2021	31-03-2020	31-03-2019
<b>Income</b>				
Revenue from Operations	II.1	10,05,78,758	6,74,96,520	6,72,96,520
Other Income	II.2	-	-	-
<b>Total Revenue</b>		<b>10,05,78,758</b>	<b>6,74,96,520</b>	<b>6,72,96,520</b>
<b>Expenditure</b>				
Cost of Material Consumed	II.3	9,72,86,966	6,47,89,910	6,47,24,900
Change in Inventories	II.4	(42,29,303)	-	-
Employee Benefit Expenses	II.5	10,80,248	5,13,500	4,35,120
Other Expenses	II.6	8,47,103	4,87,166	4,80,434
<b>Total Expenses</b>		<b>9,49,85,014</b>	<b>6,57,90,576</b>	<b>6,56,40,454</b>
<b>Profit Before Interest, Depreciation and Tax</b>		<b>55,93,744</b>	<b>17,05,944</b>	<b>16,56,066</b>
Depreciation & Amortisation Expenses	I.9	1,54,400	-	-
<b>Profit Before Interest and Tax</b>		<b>54,39,345</b>	<b>17,05,944</b>	<b>16,56,066</b>
Financial Charges	II.7	13,44,207	10,14,294	10,10,712
<b>Profit before Taxation</b>		<b>40,95,138</b>	<b>6,91,650</b>	<b>6,45,354</b>
Provision for Taxation	II.8	10,80,430	1,80,220	1,67,792
Provision for Deferred Tax		(15,305)	-	-
<b>Total</b>		<b>10,65,125</b>	<b>1,80,220</b>	<b>1,67,792</b>
<b>Profit After Tax but Before Extra ordinary Items</b>		<b>30,30,013</b>	<b>5,11,430</b>	<b>4,77,562</b>
Extraordinary Items		-	-	-
Profit Attributable to Minority Shareholders		-	-	-
<b>Net Profit after adjustments</b>		<b>30,30,013</b>	<b>5,11,430</b>	<b>4,77,562</b>
<b>Net Profit Transferred to Balance Sheet</b>		<b>30,30,013</b>	<b>5,11,430</b>	<b>4,77,562</b>

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

**ANNEXURE - III**  
**STATEMENT OF CASH FLOW, AS RESTATED**

PARTICULARS	For the Year ended on		
	31-03-2021	31-03-2020	31-03-2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit Before Tax as per Profit & Loss A/c	40,95,138	6,91,650	6,45,354
Adjusted for :			
a. Depreciation	1,54,400	-	-
b. Interest Expenses & Finance Cost	13,44,207	10,14,294	10,10,712
c. Other Adjustments	-	-	-
d. Interest & Other Income	-	-	-
<b>Operating profit before working capital changes</b>			
Adjusted for :			
a. Decrease / (Increase) in Inventories	(42,29,303)	-	-
b. Decrease / ( Increase ) in trade receivable	(1,93,31,615)	9,97,645	(11,77,149)
b. Decrease / ( Increase ) in Current Investments	-	-	-
c. ( Increase ) / Decrease in short term loans and advances	(2,36,13,645)	(10,00,000)	-
d. Increase / ( Decrease ) in Trade Payables	26,78,150	(7,38,301)	5,37,582
e. Increase / (Decrease) in short term provisions	10,80,430	1,80,220	1,67,792
f. Increase / ( Decrease ) in other current liabilities	1,28,29,367	1,06,060	10,500
g. ( Increase ) / Decrease in Other Current Assets	(6,71,949)	(90,335)	(82,045)
<b>Cash generated from operations</b>			
Net Income Tax (Paid)/Refund	(10,65,125)	(1,80,220)	(1,67,792)
<b>Net Cash Generated/(Used) From Operating Activities (A)</b>	<b>(2,67,29,946)</b>	<b>9,81,013</b>	<b>9,44,954</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITES</b>			
a. (Purchase) Sale of Fixed Assets	(1,10,800)	-	-
b.( Purchase) / Sale of non-current investment	-	-	-
c. ( Increase ) / Decrease in Long term loans and advances	-	-	-
d. Increase / ( Decrease ) in Long Term Provisions			
e. ( Increase ) / Decrease in Other Non Current Assets	(15,305)	-	-
f. (Increase) in Misc. Expenses	(1,54,400)	-	-
g. Interest & Other Income	-	-	-
<b>Net Cash Generated/(Used) From Investing Activities (B)</b>	<b>(2,80,505)</b>	<b>-</b>	<b>-</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITES</b>			
a. Interest & Finance Cost	(13,44,207)	(10,14,294)	(10,10,712)
b. Proceeds from share issued including Premium			
c. ( Repayments ) / proceeds of long term borrowings	26,63,455	-	-
d. ( Repayments ) / proceeds of short term borrowings	2,57,84,987	(31,654)	37,869
<b>Net Cash Generated/(Used) From Financing Activities (C)</b>	<b>2,71,04,235</b>	<b>(10,45,948)</b>	<b>(9,72,843)</b>
<b>Net Increase / ( Decrease ) in cash and cash equivalents</b>	<b>93,784</b>	<b>(64,935)</b>	<b>(27,889)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>43,632</b>	<b>1,08,568</b>	<b>1,36,456</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>1,37,416</b>	<b>43,632</b>	<b>1,08,568</b>

Notes:

1. 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
2. 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.

Since incorporation, the company is into third party service provider for Logistics and Transportation business activity.

### **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 are 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		
	31-03-2021	31-03-2020	31-03-2019
<b>Profit After Tax as per Books of Accounts</b>	<b>30,45,707</b>	<b>5,11,821</b>	<b>4,77,562</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>30,30,013</b>	<b>5,11,430</b>	<b>4,77,562</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, 2021 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 assessee 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	31-03-2021	31-03-2020	31-03-2019
<b>Authorised Capital</b>			
5,00,000 Equity shares of ₹10/- each	50,00,000	50,00,000	50,00,000
<b>Issued, Subscribed &amp; Fully Paid-up</b>			
5,00,000 Equity shares of ₹10/- each	50,00,000	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	31-03-2021	31-03-2020	31-03-2019
Shares outstanding at the beginning of the year	5,00,000	5,00,000	5,00,000
Shares issued during the year	-	-	-
Bonus Issued during the year	-	-	-
<b>Share outstanding at the end of the year</b>	<b>5,00,000</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	31-03-2021	31-03-2020	31-03-2019
<b>Jugal Kishore Bhagat</b>			
No. of Shares	2,70,000	2,70,000	2,70,000
% Holding	54.00%	54.00%	54.00%
<b>Rekha Bhagat</b>			
No. of Shares	2,16,000	2,16,000	2,16,000
% Holding	43.20%	43.20%	43.20%

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

Particulars	31-03-2021	31-03-2020	31-03-2019
<b>Statement of Profit &amp; Loss</b>			
Opening balance	19,84,937	14,73,507	9,95,945
Add: Profit for the year	30,30,013	5,11,430	4,77,562
<b>Total</b>	<b>50,14,950</b>	<b>19,84,937</b>	<b>14,73,507</b>
Less: Utilised for Bonus Issue	-	-	-
<b>Balance as at the end of the year</b>	<b>50,14,950</b>	<b>19,84,937</b>	<b>14,73,507</b>
Security Premium Reserve	-	-	-
Revaluation Reserves	-	-	-
Other Reserves, If Any (Please Specify)	-	-	-
<b>Total Reserve &amp; Surplus</b>	<b>50,14,950</b>	<b>19,84,937</b>	<b>14,73,507</b>

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

Particulars	31-03-2021	31-03-2020	31-03-2019
<b>Secured Loans from Bank/FIs</b>			
Covid-19 Term Loan @ 20%	17,88,303	-	-
Covid-19 Term Loan @ 10%	8,75,152	-	-
<b>Total</b>	<b>26,63,455</b>	<b>-</b>	<b>-</b>

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

Particulars	31-03-2021	31-03-2020	31-03-2019
<b>Deferred Tax Assets/Liabilities Provision</b>			
WDV As Per Companies Act 2013	1,54,400	-	-
WDV As Per Income tax Act	95,535	-	-
Difference in WDV	(58,865)	-	-
<b>(DTA)/DTL</b>	<b>(15,305)</b>	<b>-</b>	<b>-</b>
<b>Deferred Tax Assets Provision</b>			
Opening Balance of (DTA)/DTL	-	-	-
Add: Provision for the year	(15,305)	-	-
<b>Closing Balance of (DTA)/DTL</b>	<b>(15,305)</b>	<b>-</b>	<b>-</b>



## Annexure – I.5

## Restated Statement of Short Term Borrowings

Particulars	31-03-2021	31-03-2020	31-03-2019
Loan from Bank	90,37,094	90,49,901	90,81,555
Unsecured Loans from Related Parties	2,57,97,794	-	-
<b>Total</b>	<b>3,48,34,888</b>	<b>90,49,901</b>	<b>90,81,555</b>

## Annexure – I.6

## Restated Statement of Trade Payables

Particulars	31-03-2021	31-03-2020	31-03-2019
MSME Creditors	-	-	-
Other Creditors	37,98,500	11,20,350	18,58,651
<b>Total</b>	<b>37,98,500</b>	<b>11,20,350</b>	<b>18,58,651</b>

## Annexure – I.7

## Restated Statement of Other Current Liabilities

Particulars	31-03-2021	31-03-2020	31-03-2019
Audit Fees Payable	10,500	10,500	10,500
TDS Payable	1,90,366	-	-
Salary, Wages Expenses	1,13,140	1,03,500	-
Electricity Expenses	-	2,560	-
Outstanding Contract Charges	1,26,15,028	-	-
EPF	16,848	-	-
GST Payable	46	-	-
<b>Total</b>	<b>1,29,45,927</b>	<b>1,16,560</b>	<b>10,500</b>

## Annexure – I.8

## Restated Statement of Short Term Provision

Particulars	31-03-2021	31-03-2020	31-03-2019
Provision for Income Tax for Earlier Year	7,38,963	5,58,743	3,90,951
Provision for Income Tax Current Year	10,80,430	1,80,220	1,67,792
<b>Total</b>	<b>18,19,393</b>	<b>7,38,963</b>	<b>5,58,743</b>

## Annexure – I.9

## Restated Statement of Fixed Assets

Particulars	31-03-2021	31-03-2020	31-03-2019
<b>Tangible Assets</b>			
<i>Furniture &amp; Fittings</i>			
Gross Block - Opening Balance	-	-	-
Addition/Sale during the year	35,150	-	-
<b>Gross Block - Closing Balance</b>	<b>35,150</b>	-	-
Accumulated Depreciation - Opening Balance	-	-	-
Depreciation during the year	9,100	-	-
<b>Accumulated Depreciation - Closing Balance</b>	<b>9,100</b>	-	-
<b>Net Block</b>	<b>26,050</b>	-	-
<i>Computers, Printers &amp; Other Accessories</i>			
Gross Block - Opening Balance	-	-	-
Addition/Sale during the year	2,30,050	-	-
<b>Gross Block - Closing Balance</b>	<b>2,30,050</b>	-	-
Accumulated Depreciation - Opening Balance	-	-	-
Depreciation during the year	1,45,300	-	-
<b>Accumulated Depreciation - Closing Balance</b>	<b>1,45,300</b>	-	-
<b>Net Block</b>	<b>84,750</b>	-	-
<b>Total Net Block of Tangible Assets</b>	<b>1,10,800</b>	-	-
<b>B) Intangible Assets</b>	-	-	-
<b>C) Work-In-Progress</b>	-	-	-

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

Particulars	31-03-2021	31-03-2020	31-03-2019
Nil	-	-	-
<b>Total</b>	-	-	-

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

Particulars	31-03-2021	31-03-2020	31-03-2019
Nil	-	-	-
<b>Total</b>	-	-	-

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

Particulars	31-03-2021	31-03-2020	31-03-2019
Nil	-	-	-
<b>Total</b>	-	-	-

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

Particulars	31-03-2021	31-03-2020	31-03-2019
Work In Progress	42,29,303	-	-
<b>Total</b>	<b>42,29,303</b>	-	-

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

Particulars	31-03-2021	31-03-2020	31-03-2019
<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	3,58,36,185	1,65,04,570	1,75,02,215
<b>Total</b>	<b>3,58,36,185</b>	<b>1,65,04,570</b>	<b>1,75,02,215</b>

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

Particulars	31-03-2021	31-03-2020	31-03-2019
Cash In Hand	84,188	29,607	84,562
Balance With Bank (in Current Accounts)	53,229	14,025	24,006
<b>Total</b>	<b>1,37,416</b>	<b>43,632</b>	<b>1,08,568</b>

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

Particulars	31-03-2021	31-03-2020	31-03-2019
<b>Loans and Advances to others Unsecured, Considered good</b>			
NPCC LTD. (Security Deposit)	1,17,76,645	-	-
Loans and Advances	1,28,37,000	10,00,000	-
<b>Total</b>	<b>2,46,13,645</b>	<b>10,00,000</b>	-

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

Particulars	31-03-2021	31-03-2020	31-03-2019
Income Tax Paid for last Year	1,33,214	28,914	28,914
Interest Receivable	8,866	8,866	8,866
TDS Receivable	9,92,377	4,24,728	3,34,393
<b>Total</b>	<b>11,34,458</b>	<b>4,62,508</b>	<b>3,72,173</b>



## Annexure –II.1

## Restated Statement of Revenue from operations

Particulars	31-03-2021	31-03-2020	31-03-2019
Sales& Services			
- Domestic Sales	10,05,78,758	6,74,96,520	6,72,96,520
- Export Sales	-	-	-
<b>Total</b>	<b>10,05,78,758</b>	<b>6,74,96,520</b>	<b>6,72,96,520</b>

## Annexure –II.2

## Restated Statement of Revenue from Other Income

Particulars	31-03-2021	31-03-2020	31-03-2019
Interest on Fixed Deposit	-	-	-
Any Other Income	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Annexure –II.3

## Restated Statement of Cost of Materials Consumed

Particulars	31-03-2021	31-03-2020	31-03-2019
<b>Opening Stock</b>	-	-	-
Add: Purchase during the Years	9,72,86,966	6,47,89,910	6,47,24,900
Less: Closing Stock	-	-	-
<b>Cost of Material Consumed</b>	<b>9,72,86,966</b>	<b>6,47,89,910</b>	<b>6,47,24,900</b>

## Annexure –II.4

## Restated Statement of Change in Inventory

Particulars	31-03-2021	31-03-2020	31-03-2019
Work In Progress	42,29,303	-	-
<b>Total</b>	<b>42,29,303</b>	<b>-</b>	<b>-</b>

## Annexure –II.5

## Restated Statement of Employees Benefit Expenses

Particulars	31-03-2021	31-03-2020	31-03-2019
Salaries, Wages & Bonus	4,62,800	4,48,500	3,82,520
PF Contributions	16,848	-	-
Staff Welfare	50,600	65,000	52,600
Directors Remuneration	5,50,000	-	-
<b>Total</b>	<b>10,80,248</b>	<b>5,13,500</b>	<b>4,35,120</b>

## Annexure –II.6

## Restated Statement of Other Expenses

Particulars	31-03-2021	31-03-2020	31-03-2019
Accounting Charges	66,000	66,000	60,000
Audit Fees	10,500	10,500	10,500
Bank Audit Fees	-	4,500	4,366
Bank Charges	75,156	8,126	1,06,699
Conveyance Charges	20,000	1,30,520	1,02,650
Donation & Subscription	1,500	1,500	-
Electricity & Fuel Charges	3,91,340	42,560	39,650
General Expenses	47,560	90,120	56,425



Gst Late fees	-	-	19,920
Insurance exp.	-	38,500	37,524
Misc. Expenses	1,11,771	-	-
Printing & Stationery	5,500	16,520	15,120
Profession Tax	2,500	2,500	2,500
Professional & Technical Charges	3,500	-	-
Repairs & Maintenance	88,419	49,260	-
ROC Filing Fees	9,460	2,500	2,000
Telephone Expenses	2,396	22,560	21,580
Tender Fees	10,000	-	-
Trade Licence	1,500	1,500	1,500
<b>Total</b>	<b>8,47,103</b>	<b>4,87,166</b>	<b>4,80,434</b>

## Annexure –II.7

## Restated Statement of Financial Charges

Particulars	31-03-2021	31-03-2020	31-03-2019
Interest On Secured Loan	1,63,455	-	-
Interest On Unsecured Loan	11,80,752	10,14,294	10,10,712
<b>Total</b>	<b>13,44,207</b>	<b>10,14,294</b>	<b>10,10,712</b>

## Annexure –II.8

## Restated Statement of Provision For Taxation

Particulars	31-03-2021	31-03-2020	31-03-2019
Current Tax	10,80,430	1,80,220	1,67,792
Deferred Tax	(15,305)	-	-

## ANNEXURE –VI

## Statement of Accounting &amp; Other Ratios, As Restated

Particulars	31-03-2021	31-03-2020	31-03-2019
Net Profit as Restated	30,30,013	5,11,430	4,77,562
Add: Depreciation	1,54,400	-	-
Add: Interest on Loan	1,63,455	-	-
Add: Income Tax	10,65,125	1,80,220	1,67,792
<b>EBITDA</b>	<b>44,12,992</b>	<b>6,91,650</b>	<b>6,45,354</b>
<b>EBITDA Margin (%)</b>	<b>4.39%</b>	<b>1.02%</b>	<b>0.96%</b>
Net Worth as Restated	1,00,14,950	69,84,937	64,73,507
<b>Return on Net worth (%) as Restated</b>	<b>30.25%</b>	<b>7.32%</b>	<b>7.38%</b>
Equity Share at the end of year (in Nos.)	5,00,000	5,00,000	5,00,000
Weighted No. of Equity Shares	5,00,000	5,00,000	5,00,000
<b>Basic &amp; Diluted Earnings per Equity Share as Restated</b>	<b>6.06</b>	<b>1.02</b>	<b>0.96</b>
<b>Net Asset Value per Equity share as Restated</b>	<b>20.03</b>	<b>13.97</b>	<b>12.95</b>

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.



## ANNEXURE –VII

## Statement of Capitalization, As Restated

Particulars	Pre-Issue	Post Issue*
	31-03-2021	
<b>Debt :</b>		
Short Term Debt	3,48,34,888	3,48,34,888
Long Term Debt	26,63,455	26,63,455
<b>Total Debt</b>	<b>3,74,98,343</b>	<b>3,74,98,343</b>
<b>Shareholders Funds</b>		
Equity Share Capital	50,00,000	[●]
Reserves and Surplus	50,14,950	[●]
Less: Misc. Expenditure	-	-
<b>Total Shareholders' Funds</b>	<b>1,00,14,950</b>	<b>[●]</b>
<i>Long Term Debt/ Shareholders' Funds</i>	<i>0.27</i>	<i>[●]</i>
<i>Total Debt / Shareholders Fund</i>	<i>3.74</i>	<i>[●]</i>

\* Assuming Full Allotment of IPO shares

## ANNEXURE –VIII

## Statement of Tax Shelter, As Restated

Particulars	As At		
	31-03-2021	31-03-2020	31-03-2019
<b>Profit Before Tax as per books of accounts (A)</b>	<b>40,95,138</b>	<b>6,91,650</b>	<b>6,45,354</b>
-- Normal Tax rate	26.00%	26.00%	26.00%
-- Minimum Alternative Tax rate	15.60%	15.60%	19.24%
<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>-</b>
<b>Timing Differences</b>			
Depreciation as per Books of Accounts	1,54,400	-	-
Depreciation as per Income Tax	95,535	-	-
Difference between tax depreciation and book depreciation	58,865	-	-
Other adjustments	-	-	-
Foreign income included in the statement	-	-	-
<b>Total (C)</b>	<b>58,865</b>	<b>-</b>	<b>-</b>
<b>Net Adjustments (D = B+C)</b>	<b>60,365</b>	<b>1,500</b>	<b>-</b>
<b>Total Income (E = A+D)</b>	<b>41,55,502</b>	<b>6,93,150</b>	<b>6,45,354</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>41,55,502</b>	<b>6,93,150</b>	<b>6,45,354</b>
Tax Payable for the year	10,80,430	1,80,220	1,67,792
Tax payable as per MAT	6,48,258	1,08,132	1,24,166
Tax expense recognised	<b>10,80,430</b>	<b>1,80,220</b>	<b>1,67,792</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	Director
Mithilesh Kumar Jha	Director
Dynamic Services & Security Limited	Company owned or significantly influenced by KMP

**Transactions with Related Parties:**

<b>Particulars</b>	<b>31-03-2021</b>	<b>31-03-2020</b>	<b>31-03-2019</b>
<b>Remuneration paid to Directors</b>			
Jugal Kishore Bhagat	2,00,000	-	-
Rekha Bhagat	1,50,000	-	-
Mithilesh Kumar Jha	2,00,000	-	-
<b>Total</b>	<b>5,50,000</b>	-	-
<b>Purchase</b>			
Dynamic Services & Security Limited	2,45,73,024	2,50,000	-
<b>Unsecured Loans Received</b>			
Dynamic Services & Security Limited	1,36,60,794	-	-
<b>Total</b>	<b>1,36,60,794</b>	-	-

**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

**FINANCIAL INDEBTEDNESS**

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of the issuer Company, Destiny Logistic Limited and further explanations and information provided by the management of the Companies, which we believe to be true and correct to the best of our information and belief, the financial indebtedness of the company as at 31<sup>st</sup> March 2021 are as mentioned below:

Nature of Borrowing	Outstanding as on March 31, 2021
Secured Loan (A)	1,17,00,549
Unsecured Loan (B)	2,57,97,794
<b>Total</b>	<b>3,74,98,343</b>

**A. Secured Loans**

Name of Lender	Purpose	Sanctioned Amount (Rs.)	Outstanding as on 31/03/2021
Indian Bank	Working Capital	90,00,000	90,37,094
Indian Bank	Working Capital	18,00,000	17,88,303
Indian Bank	Working Capital	9,00,000	8,75,152
<b>Total</b>		<b>1,17,00,000</b>	<b>1,17,00,549</b>

**Note:**
**1. Indian Bank:**

**Facility** : Working Capital  
**Loan Limit** : Rs. 90.00 Lakhs (Cash Credit)  
**Date of Sanction** : Since 01/12/2017  
**Rate of Interest** : 9.70% p.a.  
**Repayment** : On Demand for cash Credit  
**Security offered** :

**Primary Security** : Hypothecation of Inventories, Receivables and all other Current assets of the company, both present and future.

**Collateral Security** : Extension of mortgage/charge by way of equitable/registered mortgage as may be deemed fit by the bank, over the following existing properties already mortgages with the bank infavor of the bank.

: Equitable mortgage of Flat No. 6A, on 6<sup>th</sup> floor (known at Krishna Heights Phase- iii), measuring 1260 sq.ft. Super built up area, at Mouza Krishnapur, at Rajarhat Gopalpur Municipality, Ward – 34, Kolkata- 700102

**Personal Guarantee** : Mr. Jugal Kishore Bhagat, Mrs. Rekha Bhagat (Director), and Mr. Mithilesh Kumar Jha

**2. Indian Bank:**

**Facility** : MSME TL-IND GCEL COVID -19  
**Loan Amount** : Rs. 18.00 Lakhs  
**Date of Sanction** : 15/06/2020  
**Rate of Interest** : 7.50% p.a.

**Security offered:**

**Primary Security** : N/A

**Collateral Security** : NIL

**Personal Guarantee** : Existing Directors

**3. Indian Bank:**

**Facility** : Covid Emergency Loan  
**Loan Amount** : Rs. 9.00 Lakhs  
**Date of Sanction** : 13/07/2020  
**Rate of Interest** : 8.75% p.a.

**Security offered:**

**Primary Security** : N/A

**Collateral Security** : NIL

**Personal Guarantee** : Existing Directors

**B. Unsecured Loans**

<b>Name of Lender</b>	<b>Purpose</b>	<b>Repayment Terms</b>	<b>Outstanding as on 31/03/2021</b>
Short Term Unsecured Loan from Friends & Relative	Business	On Demand	2,57,97,794
<b>Total</b>			<b>2,57,97,794</b>

**For, Kumar Roybarman Prasanta & Associates**

Chartered Accountants

S/d-

(CA Prasanta Kumar Roy Barman)

Proprietor

M. No. 013905

Firm Reg. No. 330634E

**Place: Kolkata****Date: 09/09/2021**

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

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements for the financial year ended on 31<sup>st</sup> March 2021, 31<sup>st</sup> March 2020 and 31<sup>st</sup> March 2019 including the notes and significant accounting policies thereto and the reports thereon, which appear elsewhere in this draft prospectus. You should also see the section titled “Risk Factors” beginning on page 17 of this draft prospectus, which discusses a number of factors and contingencies that could impact our financial condition and results of operations. The following discussion relates to our Company, unless otherwise stated, is based on restated audited financial statements.*

*These financial statements have been prepared in accordance with Ind GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditors dated March 31, 2021 which is included in this draft prospectus under the section titled “Financial Information as Restated” beginning on page 94 of this draft prospectus. The restated financial statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated financial statements to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our restated financial statements.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under “Risk Factors” and “Forward Looking Statements” beginning on pages 17 and 13 respectively, and elsewhere in this draft prospectus*

*Accordingly, the degree to which the financial statements in this draft prospectus will provide meaningful information depends entirely on such potential investor's level of familiarity with Indian accounting practices. Our F.Y. ends on March 31 of each year; therefore, all references to a particular fiscal are to the twelve-month period ended March 31 of that year. Please also refer to section titled “Certain Conventions, Use of Financial, Industry and Market Data and Currency Presentation” beginning on page 11 of this draft prospectus.*

### **BUSINESS OVERVIEW**

*For Detailed information on our business, please refer to chapter titled “Our Business” beginning from page no. 64 of this draft prospectus*

### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST AUDITED PERIOD**

In the opinion of the Board of Directors of our Company, since the date of the last audited period i.e., March 31, 2021 as disclosed in this draft prospectus, 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 except as follows:

1. The Board of Directors have decided to get their equity shares listed on EMERGE Platform of NSE and pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on August 30, 2021 proposed the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra Ordinary General Meeting held on September 03, 2021 authorized the Initial Public Offer.
3. The company has issued 20,00,000 Equity Shares @ Rs. 20.00 per share amounting to Rs. 4.00 crores on August 25, 2021 to the promoters of the company (for conversion of their loan into equity).
4. Destiny Logistics & Infra Limited has purchased 22,82,063 shares of Dynamic Services & Security Limited from the promoter shareholder Mr. Jugal Kishore Bhagat @ Rs.21.91 per share amounting to Rs.5.00 crores and as consideration issued 25,00,000 shares of Destiny Logistics & Infra Limited @Rs.20 per share on August 30, 2021.
5. The name of the company has been changed to Destiny Logistics & Infra Limited from Destiny Logistic Limited vide fresh certificate of incorporation dated September 07, 2021.
6. Our associate company Dynamic Services & Security Limited has also planned for IPO and filed draft prospectus dated September 10, 2021 at EMERGE platform of NSE for their approval.

### **KEY FACTORS AFFECTING OUR RESULTS OF OPERATION**

1. Covid-19 pandemic
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. General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
9. Changes in laws and regulations relating to the Sectors in which we operate;
10. 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;
11. Any adverse outcome in the legal proceedings in which we may be involved;
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 Statements as Restated*” beginning from page no. 94 of the draft prospectus

**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 2021, 31<sup>st</sup> March 2020 and 31<sup>st</sup> March 2019 and the components of which are also expressed as a percentage of total income for such periods.

(Rs. in Lakhs)

Particulars	For the year ended					
	31-03-2021	% of Total Revenue	31-03-2020	% of Total Revenue	31-03-2019	% of Total Revenue
<b>(1) Revenue</b>						
(a) Revenue from Operations	1,005.79	100.00%	674.97	100.00%	672.97	100.00%
(b) Other Income	-	0.00%	-	0.00%	-	0.00%
<b>Total Revenue (1)</b>	<b>1,005.79</b>	<b>100.00%</b>	<b>674.97</b>	<b>100.00%</b>	<b>672.97</b>	<b>100.00%</b>
<b>(2) Expenses</b>						
Cost of Material Consumed	972.87	96.73%	647.90	95.99%	647.25	96.18%
Change in Inventories	(42.29)	-4.20%	-	0.00%	-	0.00%
Employee Benefit Expenses	10.80	1.07%	5.14	0.76%	4.35	0.65%
Other Expenses	8.47	0.84%	4.87	0.72%	4.80	0.71%
<b>Total Expenses (2)</b>	<b>949.85</b>	<b>94.44%</b>	<b>657.91</b>	<b>97.47%</b>	<b>656.40</b>	<b>97.54%</b>
<b>(3) Profit/(Loss) before Interest, Depreciation and Tax (1-2)</b>	<b>55.94</b>	<b>5.56%</b>	<b>17.06</b>	<b>2.53%</b>	<b>16.56</b>	<b>2.46%</b>
Depreciation & Amortisation Expenses	1.54	0.15%	-	0.00%	-	0.00%
<b>(4) Profit/(Loss) before Interest and Tax</b>	<b>54.39</b>	<b>5.41%</b>	<b>17.06</b>	<b>2.53%</b>	<b>16.56</b>	<b>2.46%</b>
Financial Charges	13.44	1.34%	10.14	0.02	10.11	0.02
<b>(5) Profit/(Loss) before Tax</b>	<b>40.95</b>	<b>4.07%</b>	<b>6.92</b>	<b>1.02%</b>	<b>6.45</b>	<b>0.96%</b>
Prior Period Items	-	-	-	-	-	-
<b>(6) Profit/(Loss) before Tax</b>	<b>40.95</b>	<b>4.07%</b>	<b>6.92</b>	<b>1.02%</b>	<b>6.45</b>	<b>0.96%</b>
<b>Tax expense</b>						
(a) Current Tax	10.80	1.07%	1.80	0.27%	1.68	0.25%
(b) Deferred Tax	(0.15)	-0.02%	-	0.00%	-	0.00%
<b>Total Tax Expenses</b>	<b>10.65</b>	<b>1.06%</b>	<b>1.80</b>	<b>0.27%</b>	<b>1.68</b>	<b>0.25%</b>
<b>(7) Profit/(Loss) for the period/ year</b>	<b>30.30</b>	<b>3.01%</b>	<b>5.11</b>	<b>0.76%</b>	<b>4.77</b>	<b>0.71%</b>

**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 ₹1005.79 Lacs as against ₹674.97 Lacs 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 ₹949.85 Lacs as against ₹657.91 Lacs 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 ₹972.87 Lacs as against ₹647.90 Lacs 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. Further, Rs. 42.29 Lakhs has been treated as work-in-progress as the sale invoice has been not generated for the same in the FY 2020-21.

**Employee Benefits Expense:** The Employee Benefits Expense for the FY 2020-21 has increased to ₹10.80 Lacs as against ₹5.14 Lacs in the FY 2019-20, representing an increase of 110.37% from FY 2019-20. This increase was mainly due to increase in volume of operation during the FY as mentioned in total income above.

**Other Expense:** The other Expense for the FY 2020-21 has increased to ₹8.47 Lacs as against ₹4.87 Lacs 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.

**Finance Expenses:** The finance cost of the company for the FY 2020-21 has increased to ₹13.44 Lacs as against ₹10.14 Lakhs in the FY 2019-20, representing an increase of 32.53% from FY 2019-20. This increase was mainly due to increase in loan taken from banks to meet the working capital gap due to increase in volume of operation during the FY as mentioned in total income above.

**Depreciation and Amortization Expense:** The Depreciation and Amortization Expense for FY 2020-21 has increased to ₹1.54 Lacs as against ₹Nil Lacs in the FY 2019-20. The increase is mainly addition of new fixed assets during the FY 2020-21.

**Profit/ (Loss) Before Tax:** Profit before and Tax for FY 2020-21 has increased to ₹40.95 Lacs as against ₹6.92 Lacs 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 Lacs as against ₹5.11 Lacs 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.

**COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2020 WITH FISCAL 2019**

**Total Income:** During the FY 2019-20 the revenue from operation and other income of the company increased to ₹674.97 Lacs as against ₹672.97 Lacs in the FY 2018-19, representing an increase of 0.30% from FY 2018-19.

**Total Expenses:** The total expenditure excluding depreciation, Interest and tax amount, for the FY 2019-20 has increased to ₹657.91 Lacs as against ₹656.40 Lacs in the FY 2018-19, representing an increase of 0.23% from FY 2018-19.

**Cost of Material consumed:** Cost of Material consumed for the FY 2019-20 has increased to ₹647.90 Lacs as against ₹647.25 Lacs in the FY 2018-19, representing an increase of 0.10% from FY 2018-19.

**Employee Benefits Expense:** The Employee Benefits Expense for the FY 2019-20 has increased to ₹5.14 Lacs as against ₹4.35 Lacs in the FY 2018-19, representing an increase of 18.01% from FY 2018-19.

**Other Expense:** The other Expense for the FY 2019-20 has increased to ₹4.87 Lacs as against ₹4.80 Lacs in the FY 2018-19, representing an increase of 1.40% from FY 2018-19.

**Finance Expenses:** The finance cost of the company for the FY 2019-20 has increased to ₹10.14 Lacs as against ₹10.11 Lakhs in the FY 2018-19, representing an increase of 0.35% from FY 2018-19.

**Depreciation and Amortization Expense:** The Depreciation and Amortization Expense for FY 2019-20 and FY 2018-19 is nil, as there was no fixed assets in the name of the company.



**Profit/ (Loss) Before Tax:** Profit before and Tax for FY 2019-20 has increased to ₹6.92 Lacs as against ₹6.45 Lacs in the FY 2018-19, representing an increase of 7.17% from FY 2018-19.

**Profit/ (Loss) After Tax:** The restated Profit after Tax for FY 2019-20 has increased to ₹5.11 Lacs as against ₹4.77 Lacs in the FY 2018-19, representing an increase of 7.32% from FY 2018-19.

**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 Prospectus, 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.

**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 prospectus, 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**

The Company is mainly engaged in land-based logistics and transportation business and all the activities of the business revolve around this main business. Therefore, there are no separate reportable segments.

**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 prospectus.

**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 page 58 and 64 respectively of the draft prospectus.

**10. Details of material developments after the date of last balance sheet i.e., March 31, 2021.**

Except as mentioned in this draft prospectus, no material circumstances have arisen since the date of last financial statement until the date of filing the draft prospectus, 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.



**SECTION X: LEGAL AND OTHER INFORMATION****OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

*Except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions or proceedings against our Company, our Directors, our Promoters and Entities Promoted by our Promoters before any judicial, quasi-judicial, arbitral or administrative tribunals or any disputes, tax liabilities, non-payment of statutory dues, over dues to banks/financial institutions, defaults against banks/financial institutions, defaults in dues towards instrument holders like debenture holders, fixed deposits, defaults in creation of full security as per terms of issue/ other liabilities, proceedings initiated for economic/ civil/ any other offences (including past cases where penalties may or may not have been imposed and irrespective of whether they are specified under paragraph (i) of Part I of Schedule XIII of the Companies Act, 1956 and/or paragraph (i) of Part I of Schedule V of the Companies Act, 2013) against our Company, our Directors, our Promoters and the Entities Promoted by our Promoters, except the following:*

*Further, except as stated herein, there are no no outstanding litigation against any other company whose outcome could have a material adverse effect on the position of our Company. Neither our Company nor its Promoters, members of the Promoter Group, Subsidiaries, associates and Directors have been declared as willful defaulters by the RBI or any other Governmental authority and, except as disclosed in this section in relation to litigation, there are no violations of securities laws committed by them in the past or pending against them.*

*Further, apart from those as stated below, there are no show-cause notices / claims served on the Company, its Promoters, its Directors or it's Group Companies from any statutory authority / revenue authority that would have a material adverse effect on our business.*

Unless stated to the contrary, the information provided below is as of the date of this draft prospectus.

- |   |     |
|---|-----|
| <b>I. <u>CONTINGENT LIABILITIES OF OUR COMPANY:</u></b>                     | Nil |
| <b>II. <u>LITIGATION INVOLVING OUR COMPANY</u></b>                          |     |
| <b>A. LITIGATION AGAINST OUR COMPANY</b>                                    |     |
| <b>1. Criminal matters:</b>   | Nil |
| <b>2. Litigation Involving Actions by Statutory/Regulatory Authorities:</b> | Nil |
| <b>3. Litigation involving Tax Liabilities</b>                              |     |
| <b>(i) Direct Tax Liabilities:</b>  | Nil |
| <b>(ii) Indirect Taxes Liabilities:</b>                                     | Nil |
| <b>4. Other Pending Litigations:</b>  | Nil |
| <b>B. CASES FILED BY OUR COMPANY</b>  |     |
| <b>1. Litigation Involving Criminal matters:</b>                            | Nil |
| <b>2. Litigation Involving Actions by Statutory/Regulatory Authorities:</b> | Nil |
| <b>3. Litigation involving Tax Liabilities:</b>                             |     |
| <b>(i) Direct Tax Liabilities:</b>  | Nil |
| <b>(ii) Indirect Taxes Liabilities:</b>                                     | Nil |
| <b>4. Other Pending Litigations:</b>  | 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>	Special Judge, CBI, Thiruvananthapuram
<b>Section Code</b>	Sections 465/417/120B, Indian Penal Code, 1860; Section 13, Prevention of Corruption Act, 1988.
<b>Date of Filing</b>	31.05.2019
<b>Case Details</b>	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.50 Lacs. The Inspector of Police, CBI/ACB/Cochin was directed to take up investigation.
<b>Status</b>	Pending before the relevant authority
<b>Amount Involved</b>	Rs. 50.00 Lacs approx

<b>Court/Authority</b>	Police Station (ACB Cochin)
<b>Section Code</b>	Sections 465/417/120B, Indian Penal Code, 1860; Section 13, Prevention of Corruption Act, 1988.
<b>Date of Filing</b>	11.09.2020
<b>Case Details</b>	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.  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.
<b>Status</b>	Pending before the relevant authority
<b>Amount Involved</b>	Rs. 10.13 Lakhs approx.

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

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

4. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities:

**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

<b>Authority</b>	DGGI-East Kolkata Unit
<b>Assessment Year</b>	2017-18, 2018-19 and 2019-20
<b>Brief about the case</b>	Enquiry/investigation pertaining to GST liability assessment for the FY 2017-18, 2018-19 and 2019-20 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 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.

**Mrs. Rekha Bhagat (Promoter and Managing Director)**

<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>	2018-19
<b>Date of Notice</b>	11/01/2019
<b>Case Details</b>	Notice under section 143(1)(a) received for excess claim of interest paid for home loan in Income Tax return Filed.
<b>Status</b>	Under Process
<b>Amount Involved</b>	Rs. 1,51,366/-

(ii) Indirect Taxes Liabilities: Nil

5. Other Pending Litigations: Nil

**B. LITIGATION FILED BY OUR DIRECTORS**

1. Litigation Involving Criminal matters: Nil

2. Litigation Involving Civil matters: Nil

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: As mentioned below

**A. Mr. Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm) vs. The West Central Railways & 1 Ors.**

<b>Court/Authority</b>	In the High Court of Madhya Pradesh, Main Seat Jabalpur, WP-27892-2019
<b>Case Details</b>	Dynamic Services was executing a contract awarded to them by Western Railways wherein it was discovered by the West Central Railways that Dynamic Services furnished the Balance Sheet and P/L Account during tender process which was incorrect and untrue, when compared with the documents provided by the Income Tax Department. For which the West Central Railways terminated the contract and forfeited the bank guarantee vide order dated 20.11.2019. Being aggrieved by the said order, writ petition was filed by Dynamic Services under Article 226 of the Constitution of India challenging an impugned order dated 26.11.2019 whereby the Respondent No.2 (The Divisional Commercial Manager, R/o Habibganj, Bhopal, M.P.) had wrongfully terminated the contract of Dynamic Services and also ordered forfeiture of performance guarantee which is 10% of the contract value. The learned court quashed the impugned order by its decision dated 24.02.2020.
<b>Present Status</b>	The instant matter is disposed of by the Court. However, the West Central Railways vide their letter dated 16.03.2020 made it clear that the contract of Dynamic Services shall stand cancelled and the performance guarantee shall stand forfeited and debarred the firm as per norms.

**B. Mr. Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm) vs. Cantonment Board, Babina Cantonment, Jhansi**

<b>Court/Authority</b>	Arbital Forum
<b>Case Details</b>	By decision of Arbitral Forum dated 27.02.2019 and CBR No.04 (Special) dated 15.04.2019, M/s. Dynamic Services was asked to pay inter alia sums of Rs.69,430/- (for additional risk and expenses) and Rs.3,44,708/- (for TDS of risk) to the Office of the Cantonment Board, Babina - 284401. Further, M/s. Dynamic Services will pay penalty of filing EPF/ESIC to the Cantonment Board whenever it is presented by the EPF/ESIC department, including interest. Any other future liability whatsoever will be paid by M/s. Dynamic Services.
<b>Present Status</b>	The instant matter is disposed off. However, present status of any demand is not known.

**C. Mr. Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm) vs. The Indian Oil Corporation Limited & 2 Ors.**

<b>Court/Authority</b>	In the High Court of Kerala at Ernakulum, AR No. 101 of 2019
<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.
<b>Present Status</b>	The instant matter is disposed off. However, present status is not known.

**D. Mr. Jugal Kishore Bhagat (in the capacity of Proprietor of Dynamic Services Firm) vs. Southern Railways & 4 Ors.**

<b>Court/Authority</b>	In the High Court of Kerala at Ernakulum, WP(C) No. 10115/2019(L)
<b>Case Details</b>	A writ petition (civil) was filed by M/s. Dynamic Services against The General Manager, Southern Railways Head Quarters, Office Park Town, Chennai - 600003 and 4 (four) others on 01.04.2019, praying inter alia for an interim direction staying all further proceedings including issue of new tenders and to permit M/s. Dynamic Services to continue with work as per Agreement No.04/2018 dated 30.04.2018. The High Court allowed the petition and noted the existence of an arbitration clause contained in the Agreement. The Last hearing date was 12.04.2019 and no further dates has been given by the Hon'ble High Court.
<b>Present Status</b>	The instant matter is pending.

**IV. LITIGATION INVOLVING OUR PROMOTERS AND PROMOTER GROUP**

**A. LITIGATION AGAINST OUR PROMOTERS AND PROMOTER GROUP**

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

**B. LITIGATION FILED BY OUR PROMOTERS AND PROMOTER GROUP**

*As Point No. III. B. above.*

V. Penalties imposed in past cases for the last five years: Nil

**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, 2021:

Name	Balance as on March 31, 2021
Total Outstanding dues to Micro and Small & Medium Enterprises (MSME)*	Nil
Total Outstanding dues to Creditors other than MSME#	Rs. 37.985 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.

**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 prospectus, 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.

**There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 years except as mentioned in this draft prospectus.****Pending proceedings initiated against our Company for economic offences.**

There are no pending proceedings initiated against our Company for economic offences.

**Inquiries, investigations etc. instituted under the Companies Act, 2013 or any previous Companies enactment in the last 5 years against our Company.**

There are no inquiries, investigations etc. instituted under the Companies Act or any previous Companies enactment in the last 5 years against our Company.

**Material Fraud against our Company in the last five years**

There has been no material fraud committed against our Company since incorporation.

**Fines imposed or compounding of offences for default**

There are no fines imposed or compounding of offences for default or outstanding defaults.

**Non-Payment of Statutory Dues**

Except as disclosed in the chapter titled "*Financial Statements as Restated*" beginning on pages 94 there are have been no defaults or outstanding defaults in the payment of statutory dues payable under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees State Insurance Act, 1948.

**MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE**

Except as disclosed in Chapter titled "*Management's Discussion & Analysis of Financial Conditions & Results of Operations*" beginning on page 114 of this draft prospectus, there have been no material developments that have occurred after the Last Balance Sheet Date.

## GOVERNMENT AND OTHER APPROVALS

### **GOVERNMENT & OTHER KEY APPROVALS**

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

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

#### **A. APPROVALS FOR THE ISSUE**

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

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on 30<sup>th</sup> August, 2021 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a special resolution passed in the Extra Ordinary General Meeting held on 3<sup>rd</sup> September, 2021 authorized the Issue.
3. Our company has obtained In-principle approval dated [●] from the NSE to use the name of NSE for listing of the Equity Shares issued by our Company pursuant to the Issue.

The International Securities Identification Number (“ISIN”) of our Company is “INE0IGO01011”.

#### **B. APPROVALS PERTAINING TO INCORPORATION OF OUR COMPANY**

Sr. No.	Description	Authority	CIN Number	Effective from	Date of Expiry
1	Certificate of Incorporation in the name of “ <i>Destiny Logistic Limited</i> ”	ROC, West Bengal	U63090WB2011PLC165520	28/07/2011	Valid until Cancelled
2	Certificate of commencement of business	ROC, West Bengal	U63090WB2011PLC165520	17/08/2011	Valid until Cancelled
3	Fresh Certificate of Incorporation pursuant to change of name as “ <i>Destiny Logistics &amp; Infra Limited</i> ”	ROC, West Bengal	U63090WB2011PLC165520	07/09/2021	Valid until Cancelled

#### **C. BUSINESS RELATED APPROVALS**

##### **Approvals/registration valid**

Sr. No.	Description	Authority	Registration Number	Effective From	Date of Expiry
1	Permanent Account Number (PAN)	Income Tax Department	AAECD0112H	28/07/2011	Valid until Cancelled
2	Tax Deduction Account No. (TAN)	Income Tax Department	CALD14598D	20/07/2021	Valid until Cancelled
3	Goods & Services Tax Act (GST)	Government of India	19AAECD0112H3Z3	16/08/2017	Valid until Cancelled
4	Profession Tax- West Bengal	Government of West Bengal, Directorate of Commercial Taxes	192006730414	02/04/2015	Valid until Cancelled
5	Udyam Registration Certificate (MSME)	Ministry of MSME	UDYAM-WB-14-0008985	17/05/2021	--
6	Registration Certificate for Employees Provident Fund	Employees Provident Fund Organisation	WBCAL2161490000	03/04/2019	--
7	Registration for ESI Act	Employees State Insurance Corporation	41000794390001006	18/08/2020	--


*(All the licenses/approvals are in the name of Destiny Logistic Limited, at present)*



### **TRADEMARK REGISTRATION**

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.

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

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

1. The Fresh Issue of Equity Shares in terms of this draft prospectus has been authorized by a resolution by the Board of Directors passed at their meeting held on 30<sup>th</sup> August, 2021 under Section 62(1)(c) of the Companies Act 2013 and subject to the approval of the members and such other authorities as may be necessary.
2. The Fresh Issue of Equity Shares in terms of this draft prospectus has been authorized by the shareholders by special resolution at the Extra Ordinary General Meeting held on 3<sup>rd</sup> September, 2021 under Section 62(1)(c) and other applicable provisions of the Companies Act 2013.
3. Our Company has received In-principal approval from NSE vide their letter dated [●] to use the name of NSE in this draft prospectus for listing of the Equity Shares on EMERGE Platform of NSE. National Stock Exchange of India Limited is the Designated Stock Exchange.
4. Our Board has approved the draft Prospectus through its resolution dated September 13, 2021

### Confirmation:

- Our Company, our Promoters, Promoter Group, our directors, person(s) in control of the promoter or our Company have not been prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.
- Our Company, our Promoters, Promoters' Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
- None of our Directors are in any manner associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our directors are associated as promoters or directors.
- None of the Directors are associated with any entities, which are engaged in securities market related business and are registered with SEBI for the same.
- There are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which any of our Company, our Promoter, Directors, persons in control of our Company or any natural person behind the Promoter are or were associated as a promoter, director or person in control, been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other regulatory or government authority.
- Neither our Company, nor our Promoters, our Directors, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a willful defaulter by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under Section titled, ***“Outstanding Litigations and Material Developments”*** beginning on page no. 118 of this draft prospectus.
- Our Company is an ***“Unlisted Issuer”*** in terms of the SEBI (ICDR) Regulations; and this Issue is an ***“Initial Public Issue”*** in terms of the SEBI (ICDR) Regulations.

### Eligibility for the Issue

- Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:
  - Neither our company, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.
  - Neither our promoters, nor any directors of our company are a promoter or director of any other company which is debarred from accessing the capital market by the Board
  - Neither our Promoter nor any of our directors is declared as Fugitive Economic Offender
  - Neither our Company, nor our Promoter, relatives (as defined under the Companies Act, 2013) of our Promoter nor our directors, are Willful Defaulters.





- Our Company is eligible for the Issue in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue paid up capital will not be more than 10 crores, and we may hence, issue Equity Shares to the public and propose to list the same on the **EMERGE Platform of National Stock Exchange of India Limited**.

**We further confirm that:**

- i. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size.
- ii. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee's in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
- iii. In terms of Regulation 246 (1) of the SEBI (ICDR) Regulations, 2018, a copy of the prospectus will be filed with the SEBI through the Lead Manager immediately upon filing of the offer document with the Registrar of Companies.

However, as per Regulation 246 (2) of the SEBI (ICDR) Regulations, 2018, The SEBI shall not issue any observation on the offer document.

Further, in terms of Regulation 246 (3) of the SEBI (ICDR) Regulations, 2018 the lead manager will also submit a due diligence certificate as per format prescribed by SEBI along with the prospectus to SEBI.

Further, in terms of Regulation 246 (4) of the SEBI (ICDR) Regulations, 2018 the draft prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the SEBI, The Lead Manager and the EMERGE Platform of NSE.

Moreover, in terms of Regulation 246 (5) of the SEBI (ICDR) Regulations, 2018, a copy of this draft prospectus and prospectus shall also be furnished to the SEBI in a soft copy.

- iv. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement dated [●] with the Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the EMERGE Platform of NSE.

**In terms of Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, We confirm that we have fulfilled eligibility criteria for EMERGE Platform of NSE, which are as under:**

❖ ***Incorporation: The Company shall be incorporated under the Companies Act, 1956/2013.***

Our Company is incorporated as Limited Company under the Companies Act, 1956.

❖ ***Post Issue Paid up Capital: The post issue paid up capital of the company (face value) shall not be more than Rs. 25 crores.***

The post issue paid up capital (Face Value) of the company will be **₹7.69 crores**. So, the company has fulfilled the criteria of post issue paid up capital shall not be more than ₹ 25 crores.

❖ ***Net-worth: Positive Net-worth.***

As per restated financial statement, the net-worth of the company is ₹ 100.15 Lakhs as on March 31, 2021. Our company has positive net-worth. So, the company has fulfilled the criteria of positive net-worth of the company.

❖ ***Track Record: Track record of at least three years of either i) the applicant seeking listing, or ii) the promoters/promoting Company, incorporated in or outside India, or iii) proprietary/Partnership Firm and subsequently converted into a Company (not in existence as a Company for three years) and approaches the Exchange for listing.***

Our company was incorporated on July 28, 2011 and having track record of more than 3 years.



- ❖ **Operating Profit (earnings before interest, depreciation and tax) from operations for atleast 2 (two) out of 3 (three) financial years:**

Our company is having positive cash accruals, details are mentioned as below

(Amt. in Lakhs.)

Particulars	F.Y. 2020-21	F.Y. 2019-20	F.Y. 2018-19
Total Income	1005.79	674.97	672.97
Operating Profit (earnings before interest, depreciation and tax)	55.94	17.06	16.56

- ❖ Our company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) or No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- ❖ Our Company has not received any winding up petition admitted by a NCLT/Court.
- ❖ No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the applicant company.

#### Other Disclosures:

- i. We have Disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoter/promoting Company(ies), group companies, companies promoted by the promoter/promoting Company(ies) of the applicant Company in the Draft Prospectus.
- ii. There are no Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoter/promoting Company(ies), group companies, companies promoted by the promoter/promoting Company(ies) during the past three years.
- iii. We have Disclosed the details of the applicant, promoter/promoting Company(ies), group companies, companies promoted by the promoter/promoting Company(ies) litigation record, the nature of litigation, and status in this Draft Prospectus. For further details, please refer the chapter **“Outstanding Litigation & Material Developments”** beginning at page no. 118 of this Draft Prospectus.
- iv. We have disclosed all details of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the Company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For Details, refer the chapter **“Outstanding Litigation & Material Developments”** beginning at page no. 118 of this Draft Prospectus.

***We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.***

#### DISCLAIMER CLAUSE OF SEBI

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF ISSUE DOCUMENT 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 ISSUE DOCUMENT. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE ISSUE DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE ISSUE DOCUMENT, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, FINSHORE MANAGEMENT SERVICES LIMITED HAS FURNISHED TO STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE DATED [●], 2021 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ICDR) REGULATION 2018 WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER FILING THE PROSPECTUS WITH ROC AND BEFORE OPENING OF THE ISSUE IN ACCORDANCE WITH THE SEBI ICDR REGULATION, 2018.**



THE FILING OF THIS ISSUE DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

***THE DUE DILIGENCE CERTIFICATE TO BE SUBMITTED AS PER FORM A OF SCHEDULE V INCLUDING ADDITIONAL CONFIRMATION AS PROVIDED IN FORM G OF SCHEDULE V IS PRODUCED AS UNDER:***

**WE, THE LEAD MERCHANT BANKER TO THE ABOVE-MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:**

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL WHILE FINALISATION OF THE DRAFT PROSPECTUS PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
  - A. THE DRAFT PROSPECTUS FILED WITH THE EXCHANGE/BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;
  - B. ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
  - C. THE MATERIAL DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH THE BOARD/EXCHANGE TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.
6. WE CERTIFY THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS.
7. WE UNDERTAKE THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 WHICH RELATE TO RECEIPT OF PROMOTERS CONTRIBUTION PRIOR TO OPENING OF THE ISSUE SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD/EXCHANGE. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – ***NOT APPLICABLE***



8. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGE MENTIONED IN THE DRAFT PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION.
9. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
10. WE CERTIFY THAT ALL THE SHARES SHALL BE ISSUED IN DEMATERIALIZED FORM IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 AND THE DEPOSITORIES ACT, 1996, AND THE REGULATIONS MADE THEREUNDER.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL-INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:
  - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
  - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.
14. WE ENCLOSE A NOTE EXPLAINING THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US INCLUDING IN RELATION TO THE BUSINESS OF THE ISSUER, THE RISK IN RELATION TO THE BUSINESS, EXPERIENCE OF THE PROMOTERS AND THAT THE RELATED PARTY TRANSACTION ENTERED INTO FOR THE PERIOD DISCLOSED IN THE DRAFT PROSPECTUS HAVE BEEN ENTERED INTO BY THE ISSUER IN ACCORDANCE WITH APPLICABLE LAWS.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.

**ADDITIONAL CONFIRMATIONS/CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH ISSUE DOCUMENT REGARDING EMERGE PLATFORM OF NSE.**

- (1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES ISSUED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.

- (3) WE CONFIRM THAT THE ABRIDGED DRAFT PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 - **NOTED FOR COMPLIANCE**.
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
- (5) THE ISSUER HAS REDRESSED AT LEAST NINETY-FIVE PER CENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF FILING OF THE OFFER DOCUMENT WITH THE REGISTRAR OF COMPANIES. - **NOT APPLICABLE**.
- (6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 261 AND 262 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE- **NOTED FOR COMPLIANCE**.

#### **DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER**

Our Company and the Lead Manager accept no responsibility for statements made otherwise than those contained in this draft prospectus or in the advertisements or any other material issued by or at our Company's instance and that anyone placing reliance on any other source of information would be doing so at his or her own risk.

#### **CAUTION**

The LM accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the LM (Finshore Management Services Limited) and our Company on 4<sup>th</sup> September, 2021 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker, LM and our Company.

All information shall be made available by our Company and the LM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The LM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

Note: Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakh and pension funds with a minimum corpus of ₹ 2,500.00 Lakh, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This draft prospectus does not, however, constitute an Issue to sell or an invitation to subscribe for Equity Shares Issued hereby in any jurisdiction other than India to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession this draft prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in **Kolkata, West Bengal, India** only.



No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and this draft prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this draft prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NSE.**

As required, a copy of this Draft Prospectus has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). Post scrutiny of the Draft Prospectus, the Disclaimer Clause as intimated by NSE to us is read as under;

[●]

National Stock Exchange of India Limited ("NSE") has vide its letter dated [●] given permission to "**Destiny Logistics & Infra Limited**" to use its name in the offer document as the Stock Exchange on whose Small and Medium Enterprises platform ("SME platform") the company's securities are proposed to be listed. NSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this company. NSE does not in any manner:-

[●]

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be Issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be Issued and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those Issues and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **LISTING**

The Equity Shares of our Company are proposed to be listed on EMERGE platform of NSE. Our Company has obtained in-principle approval from NSE by way of its letter dated [●] for listing of equity shares on EMERGE platform of NSE.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the EMERGE Platform is not granted by NSE, our Company shall return through verifiable means the entire monies received within four (4) days of receipt of intimation from stock exchange rejecting the application for listing or trading without any interest.

If such money is not repaid within four (4) days from the date our Company becomes liable to repay it, then our Company and every Director of the Company who is officer in default shall, on and from expiry of four (4) days, be jointly and severally liable to repay such application money, with interest at the rate of fifteen per cent per annum (15% p.a.).

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the EMERGE Platform of NSE mentioned above are taken within Six (6) Working Days of the Issue Closing Date.

#### **FILING**

The draft prospectus is being filed with National Stock Exchange of India Limited, at Exchange Plaza, Plot no C/1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051, Maharashtra.

After getting in-principal approval from NSE, a copy of the prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for filing to the Registrar of Companies, West Bengal.

A copy of this draft prospectus shall be furnished to SEBI in soft copy. A copy of the prospectus shall be filed with SEBI immediately upon filing of the Offer document with Registrar of Companies in term of Regulation 246 of the SEBI (ICDR) Regulations, 2018. However, SEBI shall not issue any observation on the draft prospectus/prospectus.

**IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

*Shall be liable to action under Section 447 of the Companies, Act 2013.*

**CONSENTS**

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Key Managerial Personnel, Our Peer Review Auditor, (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue, Sponsor Bank, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the Issue to act in their respective capacities shall be obtained as required under Section 26 of the Companies Act, 2013 and shall be filed along with a copy of the draft prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the draft prospectus for filing with the RoC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations 2018, M/s. Bijan Ghosh & Associates, Chartered Accountant, our Peer Review Auditors of the Company has agreed to provide their written consent to the inclusion of their respective reports on "Statement of Tax Benefits" relating to the possible tax benefits and restated financial statements as included in this draft prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this draft prospectus for filing with RoC.

**EXPERTS OPINION**

Except for the reports in the Section, "*Statement of Possible Tax Benefits*" and "*Financial Statement as Restated*" on page no 56 and page no 94 of this draft prospectus from the Peer Review Auditors and Statutory Auditor respectively; our Company has not obtained any expert opinions. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act 1933.

**PARTICULARS REGARDING PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE (5) YEARS**

Except as stated under Section titled "*Capital Structure*" beginning on page no. 40 of this draft prospectus our Company has not undertaken any previous public or rights issue. Further, we are an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, 2018, amended from time to time and the Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, 2018, amended from time to time.

**UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION ON PREVIOUS ISSUES IN LAST 5 YEARS**

Since this is the initial public Issuing of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

**PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED GROUP-COMPANIES / SUBSIDIARIES/ ASSOCIATES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 186 OF THE COMPANIES ACT, 2013 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS:**

Neither our Company nor any other companies under the same management within the meaning of Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three year except as mentioned in this draft prospectus. This is the initial public Issuing of our Company's Equity Shares

**PERFORMANCE VIS-A-VIS OBJECTS-PUBLIC/RIGHT ISSUE OF OUR COMPANY**

Except as stated under Section titled "*Capital Structure*" beginning on page 40 of this draft prospectus our Company has not undertaken any previous public or rights issue.

**PERFORMANCE VIS-A-VIS OBJECTS - LAST ISSUE OF LISTED SUBSIDIARIES/LISTED PROMOTERS**

We don't have any listed company under the same management or any listed subsidiaries or any listed promoters.

**OUTSTANDING DEBENTURES OR BOND ISSUES OR REDEEMABLE PREFERENCE SHARES OR ANY OTHER CONVERTIBLE INSTRUMENTS ISSUED BY OUR COMPANY**



Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this draft prospectus.

### **OPTION TO SUBSCRIBE**

Equity Shares being issued through the draft prospectus can be applied for in dematerialized form only.

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

This being an initial public Issue of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

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

The Company has appointed “**Cameo Corporate Services Limited**” as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company.

The Agreement dated August 31, 2021 amongst the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or demat credit or where refunds are being made electronically, giving of unblocking instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the relevant Designated Branch or the collection center of the SCSBs where the Application Form was submitted by the ASBA Applicants in ASBA account or UPI ID linked bank account number in which the amount equivalent to the Bid Amount was blocked. Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

The Applicant should give full details such as name of the sole/first Applicant, Application Form number, Applicant DP ID, Client ID, Bank Account No./UPI ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be 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.

Our Company has appointed Mr. Mustafa Rangwala, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

#### **Mr. Mustafa Rangwala,**

*Company Secretary & Compliance Officer*

Destiny Logistics & Infra Limited

375, Dakshindari Road, Kolkata – 700048

Contact No: 033-40087463

Email ID: [cs@destinyinfra.in](mailto:cs@destinyinfra.in)

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

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

### **STATUS OF INVESTOR COMPLAINTS**

We confirm that we have not received any investor complaint during the three years preceding the date of this draft prospectus and hence there are no pending investor complaints as on the date of this draft prospectus.





**DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT AS OUR COMPANY:**

We don't have any listed company under the same management or any listed subsidiaries or any listed promoters.

**PRICE INFORMATION OF PAST ISSUED HANDLED BY THE LEAD MANAGER**

**Statement on Price Information of Past Issues handled by Finshore Management Services Limited:**

Sr. No.	Issue Name	Issue Size (₹ in Cr.)	Issue Price (In ₹)	Listing Date	Opening price on listing date (In ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	East India Securities Ltd	92.74	920	13/03/2018	921.90	2.07 [0.25]	2.28 [4.69]	4.67 [13.39]
2	Sungold Media And Entertainment Ltd	1.35	10	27/08/2018	9.75	-14.00 [-5.28]	-42.80 [-9.60]	-32.00 [-7.29]
3	Powerful Technologies Ltd	13.54	51	28/08/2018	48.00	-49.02 [-5.83]	-47.06 [-10.32]	-62.75 [-8.07]
4	AKI India Ltd	3.08	11	12/10/2018	11.55	2.18 [1.22]	4.09 [4.26]	0.00 [12.11]
5	Shree Krishna Infrastructure Ltd	1.17	13	03/12/2018	12.35	-58.08 [-0.04]	-59.23 [-0.49]	-52.31 [9.58]
6	Diksha Greens Ltd	13.32	30	05/12/2018	36.20	135.83 [-1.03]	152.83 [0.50]	-15.50 [10.67]
7	Shankar Lal Rampal Dye-Chem Ltd	7.29	45	24/12/2018	46.15	2.22 [2.75]	-5.56 [7.60]	8.11 [10.50]
8	Jonjua Overseas Ltd	1.30	10	25/02/2019	12.00	7.00 [5.58]	7.00 [8.90]	89.00 [1.35]
9	Mahip Industries Ltd	16.63	32	12/03/2019	32.00	-5.16 [2.80]	11.56 [5.54]	-76.81 [-1.48]
10	Northern Spirits Ltd	18.50	43	04/04/2019	43.70	-16.28 [0.72]	-23.26 [0.03]	-42.21 [-0.04]
11	White Organic Retail Ltd	15.46	63	10/05/2019	64.20	31.83 [5.75]	15.87 [-2.06]	15.87 [7.43]
12	SK International Export Ltd.	3.96	20	15/07/2019	19.20	-16.00 [-4.98]	-9.75 [-1.98]	0.00 [6.95]
13	Alphalogic Techsys Ltd.	6.18	84	05/09/2019	83	7.86 [2.81]	1.07 [11.00]	16.67 [4.09]
14	Tranway Technologies Ltd.	4.24	10	05/02/2020	11.10	50.00 [-6.49]	1.00 [-22.91]	-21.90 [-8.59]
15	ICL Organic Dairy Products Ltd.	4.08	20	17/02/2020	20.80	-25.00 [-25.52]	-3.25 [-24.25]	9.75 [-7.74]
16	DJ Mediaprint & Logistics Ltd.	2.40	20	13/04/2020	20.60	165.00 [2.22]	64.50 [19.24]	105.00 [32.00]

Status as on 11-09-2021

1. in case where the security is not being traded on 30th, 90th and 180th day, the previous working day has been considered.
2. in case where 30th, 90th and 180th day is holiday, the previous working day has been considered for benchmark and security purpose.
3. the benchmark index is SENSEX where the securities have been listed in BSE SME and Nifty where securities have been listed in NSE.

**Summary statement of Disclosure:**

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30th calendar day from listing day			Nos. of IPOs trading at premium - 30th calendar day from listing day			Nos. of IPOs trading at discount -180th calendar day from listing day			Nos. of IPOs trading at premium - 180th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-18	1	92.74	N. A	N. A	N. A	N. A	N. A	1	N. A	N. A	N. A	N. A	N. A	1
2018-19	8	57.68	1	1	2	1	N. A	3	3	1	2	1	N. A	1
2019-20	6	52.42	N. A	1	2	N. A	2	1	N. A	1	2	N. A	N. A	3
2020-21	1	2.40	N. A	N. A	N. A	1	N. A	N. A	N. A	N. A	N. A	1	N. A	N. A

Status as on 11-09-2021

**TRACK RECORD OF PAST ISSUES HANDLED BY FINSHORE MANAGEMENT SERVICES LIMITED**

For details regarding track record of LM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the LM at: [www.finshoregroup.com](http://www.finshoregroup.com).

## SECTION XI: ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this draft prospectus, the prospectus, the abridged draft prospectus, Application Form, CAN, the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that in terms of regulation 256 of the SEBI (ICDR), 2018 read with SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e., just writing their bank account numbers and authorising the banks to make payment in case of allotment by signing the application forms. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.*

### AUTHORITY FOR THE PRESENT ISSUE

This Issue has been authorized by a resolution of the Board passed at their meeting held on August 30, 2021 subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of the Company held on September 03, 2021.

### RANKING OF EQUITY SHARES

The Equity Shares being Issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to Section titled, ***“Description of Equity Shares and Terms of the Articles of Association”***, beginning on page 161 of this draft prospectus.

### OFFER FOR SALE

In the case of offer for sale, the dividend for the entire year shall be payable to the transferees and the company has to disclose the name of the entity bearing the cost of making offer for sale along with reasons. However, the present issue does not include offer for sale and hence the said disclosure is not applicable to us.

### MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividend to the shareholders of our Company in accordance with the provisions of the Companies Act, 2013, as may be applicable, the Articles of Association of our Company, the provisions of the SEBI Listing Regulations and any other rules, regulations or guidelines as may be issued by the Government of India in connection there to and as per the recommendation by our Board of Directors and approved by our Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, for further details in relation to dividends, please refer to Sections titled, ***“Dividend Policy”*** and ***“Description of Equity Shares and Terms of the Articles of Association”***, beginning on page 93 and 161 respectively, of this draft prospectus.

### FACE VALUE AND ISSUE PRICE

The face value of the share of our company is ₹10/- per equity share and the issue price is ₹20/- per equity share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the Section titled, ***“Basis for Issue Price”*** beginning on page 54 of this draft prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### COMPLIANCE WITH SEBI (ICDR) REGULATIONS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations as amended time to time. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association of our Company, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive Issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory and other preferential claims being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable law, including any RBI Rules and Regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the previous Companies Act, 1956 and Companies Act, 2013, as may be applicable, terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For further details on the main provision of our Company's Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/or consolidation/splitting, etc., please refer to Section titled, "**Description of Equity Shares and Terms of the Articles of Association**", beginning on page 161 of this draft prospectus.

#### **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issuer:

1. Tripartite agreement dated 22<sup>nd</sup> July, 2021 between our Company, NSDL and the Registrar to the Issue.
2. Tripartite agreement dated 22<sup>nd</sup> July, 2021 between our Company, CDSL and the Registrar to the Issue

The trading of the Equity Shares will happen in the minimum contract size of 6,000 Equity Shares and the same may be modified by the EMERGE Platform of NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this draft prospectus will be done in multiples of 6,000 Equity Shares subject to a minimum allotment of 6,000 Equity Shares to the successful Applicants in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

#### **MINIMUM NUMBER OF ALLOTTEES**

In accordance with the Regulation 268 of SEBI ICDR Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

#### **JOINT HOLDERS**

Where two (2) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

#### **NOMINATION FACILITY TO INVESTOR**

In accordance with Section 72 of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the Applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of this section shall upon the production of such evidence as may be required by the Board, elect either:

To register himself or herself as the holder of the Equity Shares; or to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.



Since the allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

#### PERIOD OF SUBSCRIPTION LIST OF PUBLIC ISSUE

ISSUE OPENS ON	[●]
ISSUE CLOSES ON	[●]

- *In terms of regulation 265 of SEBI (ICDR) Regulation, 2018, the issue shall be open after at least three working days from the date of filing the prospectus with the Registrar of Companies.*
- *In terms of regulation 266(1) of SEBI (ICDR) Regulation, 2018, Except as otherwise provided in these regulations, the public issue shall be kept open for at least three working days and not more than ten working days.*
- *In terms of regulation 266(2) of SEBI (ICDR) Regulation, 2018, In case of a revision in the price band, the issuer shall extend the bidding (issue) period disclosed in the red herring draft prospectus, for a minimum period of three working days, subject to the provisions of sub-regulation (1) is not applicable to our company as this is fixed price issue.*
- *In terms of regulation 266(3) of SEBI (ICDR) Regulation, 2018, In case of force majeure, banking strike or similar circumstances, our company may, for reasons to be recorded in writing, extend the issue period disclosed in the draft prospectus, for a minimum period of three working days, subject to the provisions of sub-regulation 266(1).*

Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Applicants. The time for applying for Retail Individual Applicants on Issue Closing Date maybe extended in consultation with the LM, RTA and NSE-EMERGE taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Application Forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in this draft prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the LM is liable for any failure in uploading the Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Application Forms prior to the Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from NSE EMERGE may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCsBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

#### MINIMUM SUBSCRIPTION

In accordance with Regulation 260(1) of SEBI (ICDR) Regulations, this Issue is 100% underwritten, so this issue is not restricted to any minimum subscription level.

As per section 39 of the new Companies Act, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of thirty (30) days from the date of issue of draft prospectus, the application money has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Issue Document including devolvement of Underwriters, our Company shall forthwith unblock the entire subscription amount received. If there is a delay beyond eight (8) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

**ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the Equity Shares will happen in the minimum contract size of 6,000 equity shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261(5) of the SEBI ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the EMERGE platform of NSE.

**APPLICATION BY ELIGIBLE NRI'S, FPI'S/FII'S REGISTERED WITH SEBI, VCF'S REGISTERED WITH SEBI AND QFIs**

It is to be understood that there is no reservation for Eligible NRIs or FPIs/IIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/IIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

**AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBs CANNOT PARTICIPATE IN THIS ISSUE.**

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

**RESTRICTIONS ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING**

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed in the Section titled "*Capital Structure*" beginning on page 40 of this draft prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfer and transmission and on their consolidation/splitting of Equity Shares. For further details, please refer to the Section titled, "*Description of Equity Shares and Terms of the Articles of Association*", beginning on page 161 of this draft prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the LM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the LM are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this draft prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

**OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM**

As per Section 29 of the Companies Act, 2013 and in accordance with SEBI (ICDR) Regulations, every company making public Issue shall issue securities only in dematerialized form only. Hence, the Equity Shares being Issued can be applied for in the dematerialized form only. Further, it has been decided by the SEBI that trading in securities of companies making an initial public Issue shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the EMERGE platform of NSE.



### **MIGRATION TO MAIN BOARD**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from the EMERGE platform of NSE on a later date subject to the following:

If the Paid up Capital of the company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

or

If the Paid up Capital of the company is more than Rs. 10 crores but below Rs. 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **MARKET MAKING**

The Equity Shares offered through this Issue are proposed to be listed on the EMERGE Platform of NSE, wherein [●] Limited is the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the NSE EMERGE for a minimum period of three (3) years from the date of listing on the EMERGE Platform of NSE. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to Section titled, “*General Information- Details of the Market Making Arrangements for this Issue*” beginning on page 33 of this draft prospectus.

### **NEW FINANCIAL INSTRUMENTS**

There are no new financial instruments such as Deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this issue.

### **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in *Kolkata, West Bengal, India*.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be Issued or sold within the United States to, or for the account or benefit of “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is less than or equal to ten crore rupees, shall issue shares to the public and propose to list the same on the SME platform (EMERGE Platform of NSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "*Terms of the Issue*" and "*Issue Procedure*" on page 135 and 142 of this draft prospectus.

The present Issue of 26,94,000 Equity Shares at an issue price of ₹20/-each aggregating to ₹538.80 Lakhs by our Company. The Issue and the Net Issue will constitute 35.01% and 33.22%, respectively of the post issue paid up equity share capital of the Issuer Company.

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares</b>	25,56,000 Equity Shares	1,38,000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.88% of the Issue Size	5.12% of the Issue Size
<b>Basis of Allotment/Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of Equity Shares and further allotment in multiples of 6,000 Equity Shares each.  For further details please refer to "Basis of Allotment" under Section titled " <i>Issue Procedure</i> " beginning on page 142 of this draft prospectus.	Firm Allotment
<b>Mode of Application</b>	Through ASBA Process Only or through UPI for Retail Individual Investors	Through ASBA Process Only
<b>Mode of Allotment</b>	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
<b>Minimum Application Size</b>	<b>For Other than Retail Individual Investors:</b> Such number of Equity Shares in multiples of 6,000 Equity Shares that the Application Value exceeds ₹2,00,000  <b>For Retail Individuals:</b> 6,000 Equity Shares at Issue price of ₹20/- each.	1,38,000 Equity Shares @ ₹20/- each
<b>Maximum Application Size</b>	<b>For Other than Retail Individual Investors:</b> The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.  <b>For Retail Individuals Investors:</b> 6,000 Equity Shares at Issue price of ₹20/- each.	1,38,000 Equity Shares @ ₹20/- each
<b>Trading Lot</b>	6,000 Equity Shares	6,000 Equity Shares. However, the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
<b>Terms of Payment</b>	<b>100% at the time of application</b>	<b>100% at the time of application</b>

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations. For further details please refer to section titled "*Issue Structure*" beginning on page 140 of this Draft Prospectus.

\*Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 (2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- a) Minimum fifty per cent to retail individual investors; and
- b) Remaining to: (i) individual applicants other than retail individual investors; and (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for; Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.



Explanation: If the retail individual investor category is entitled to more than fifty per cent of the issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage. For further information on the Allocation of Net Offer to Public, please refer to chapter titled “*The Issue*” on page no. 30 of this Draft Prospectus.

### WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof.

In case, our Company wishes to withdraw the Issue after Issue Opening but before allotment, our Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two (2) widely circulated national newspapers (one each in English and Hindi) and one (1) in regional newspaper where the registered office of the Company is situated.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public Issuing of Equity Shares, our Company will file a fresh Issue document with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through this draft prospectus, which our Company will apply for only after Allotment.

### ISSUE PROGRAMME

Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with NSE-EMERGE	[●]
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	[●]
Credit of Equity Shares to demat accounts of the Allottees	[●]
Commencement of trading of the Equity Shares on NSE-EMERGE	[●]

*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 EMERGE Platform of NSE are taken within 6 working days of the issue closing date, 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 BSE. The Commencement of the trading of Equity shares will be entirely at the discretion of the NSE-EMERGE in accordance with the applicable laws*

Applications and any revisions to the same will be accepted only between 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form. On the Issue Closing Date when applications will be accepted only between 10:00 a.m. to 4:00 p.m. (Indian Standard Time).

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1:00 p.m. IST on the Issue Closing Date. Any time mentioned in this draft prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issues, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday)



## ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “**General Information Document**”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Application Form. The General Information Document is available on the websites of the Stock Exchanges and the Lead Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue especially in relation to the process for Bids by Retail Individual Investors through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note (“**CAN**”) and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“**UPI**”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“**UPI Phase I**”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by Retail Individual Investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”). However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to **continue with the UPI Phase II till further notice**. The final reduced timeline will be made effective using the UPI Mechanism for applications by Retail Individual Investors (“**UPI Phase III**”), as may be prescribed by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time.

SEBI vide Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, which came into effect from May 01, 2021 had put in place measures to have a uniform policy to further streamline the processing of ASBA applications through UPI process among intermediaries/SCSBs and also provided a mechanism of compensation to investors.

However, in view of the representations received from stakeholders, SEBI vide Circular no: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 given some relaxation for the implementation timelines for the provisions of “the circular” which are as under:

- **SMS Alerts:** Para 9 of “the circular” prescribed the details to be sent by SCSB’s in SMS alerts. While SCSB’s shall continue to send SMS alerts during the actual block/debit/unblock of UPI mandate in the prescribed format, the details of total number of shares applied/allotted/non-allotted etc shall be included in SMS for Public Issues opening on/after January 01, 2022.
- **Web Portal for CUG:** For ease of doing business, Para 10 of “the circular” prescribed a web portal to be hosted by Sponsor Banks for closed user group (hereinafter referred to as “**CUG**”) entities. In view of the representations received from the stakeholders, it has been decided that:
  - ❖ The automated web portal shall be live and operational after due testing and mock trials with the CUG entities for Public Issues opening on or after October 01, 2021. The requisite information on this automated portal shall be updated periodically in intervals not exceeding two hours.
  - ❖ In the interim, for the Public Issues opening from the date of this circular and till the automated web portal is live and operational, the Sponsor Banks shall send the details prescribed in Para 10 of “the circular” to the e-mail address of CUG entities periodically in intervals not exceeding three hours. In case of exceptional events viz., technical issues with UPI handles/PSPs/TPAPS/SCSB’s etc, the same shall be intimated immediately to the CUG entities so as to facilitate the flow of information in the Public Issue process.
  - ❖ The Stock Exchanges and Lead Managers shall facilitate providing the requisite data of CUG entities to Sponsor Bank for the development of automated web portal. Such information shall be provided to the Sponsor Bank before opening of the Public Issue.

- **Completion of Unblocks by T+4:** Para 13 of “the circular” prescribed the process and timeline for ensuring the completion of unblocks pertaining to UPI mandates on T+4 (T: Issue Closing Date). while the process of unblocking shall be completed by T+4, in view of the representations received from stakeholders, the following shall be the revised timelines:
- ❖ The Registrar to the Issue shall provide the allotment/ revoke files to the Sponsor Bank by 8:00 PM on T+3 i.e., the day when the Basis of Allotment (BOA) has to be finalized.
  - ❖ The Sponsor Bank shall execute the online mandate revoke file for Non-Allottees/ Partial Allottees and provide pending applications for unblock, if any, to the Registrar to the Issue, not later than 5:00 PM on BOA+1.
  - ❖ Subsequent to the receipt of the pending applications for unblock from the Sponsor Bank, the Registrar to the Issue shall submit the bank-wise pending UPI applications for unblock to the SCSBs, not later than 6:30 PM on BOA+1.
  - ❖ To ensure that the unblocking is completed on T+4, the Lead Managers, on a continuous basis and before the opening of the public issue shall take up the matter with the SCSB’s at appropriate level.

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of Rs.100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days.*

*Our Company and the LM do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus. Further, our Company and the LM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.*

#### **Phased implementation of Unified Payments Interface (UPI)**

SEBI has issued the various UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by Retail Individual Investors through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Investor had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by Retail Individual Investors through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days. For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Managers.

#### **FIXED PRICE ISSUE PROCEDURE**

The Issue is being made in compliance with the provisions of Chapter IX of the SEBI ICDR Regulations, and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance is being offered to Other Investors including QIBs and Non-Institutional Applicants. However, in case of under-subscription in either category, unsubscribed portion shall be allocated to investors in other category subject to valid Applications being received from them at the Issue Price.

Subject to the valid Applications being received at the Issue Price, allotment to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Individual Investors Category where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Individual Investors Category, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

**The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges. Investors should note that the Equity Shares will be Allotted to all successful Applicants only in dematerialised form. It is mandatory to furnish the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicants' depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form.**

## APPLICATION FORM

Copies of Application Forms and Abridged Prospectus will be available with the Syndicate/sub-Syndicate members, SCSBs and at our Registered Office. In addition, an electronic copy of the Application Forms and Abridged Prospectus will also be available for download on the website of the Company, Lead Manager and Stock Exchange, NSE ([www.nseindia.com](http://www.nseindia.com)), at least one day prior to the Issue Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. The Retail Individual Investors can additionally Bid through the UPI Mechanism.

All ASBA Bidders must provide either, (i) bank account details and authorizations to block funds in the ASBA Form; or (ii) the UPI ID (in case of Retail Individual Investors), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected. Applications made by the Retail Individual Investors using third party bank account or using third party linked bank account UPI ID are liable for rejection. Retail Individual Investors bidding using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Application Form and the Application Form that does not contain the UPI ID are liable to be rejected.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs or Registrars to an Issue and Share Transfer Agents or Depository Participants, as the case may be, submitted at the Collection centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories applying in this issue is as follows:

Category	Colour
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA)**	White*
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)**	Blue*

\* Excluding electronic Application Form.

\*\* Application forms will also be available on the website of the NSE ([www.nseindia.com](http://www.nseindia.com)). Same Application Form applies to all ASBA Applicants/ Retail Individual Applicants applying through UPI mechanism, irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, to Registrars to an Issue and Share Transfer Agents, Depository Participants or to the Syndicate (in Specified Cities).

In case of ASBA Forms, Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges.

Subsequently, for ASBA Forms (other than Retail Individual Investors using UPI Mechanism), Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For Retail Individual Investors using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to Retail Individual Investors for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to Retail Individual Investors, who shall accept the UPI Mandate Request for blocking of funds on their respective

mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate Retail Individual Investors (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the issuer bank. The Sponsor Banks and the Bankers to the Issue shall provide the audit trail to the LM for analysing the same and fixing liability.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the LM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

## WHO CAN APPLY?

Each Applicant should check whether it is eligible to apply under applicable law.

Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Application Form and GID for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- i. Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- ii. Applications belonging to an account for the benefit of a minor (under guardianship);
- iii. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Application by HUFs will be considered at par with Applications from individuals;
- iv. Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- v. QIBs;
- vi. NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- vii. Qualified Foreign Investors subject to applicable law;
- viii. Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- ix. Trusts/ societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/ societies and who are authorised under the irrelative constitutions to hold and invest in equity shares;
- x. Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- xi. Insurance companies registered with IRDAI;
- xii. Mutual Funds registered with SEBI;
- xiii. FPIs other than Category III Foreign Portfolio Investor;
- xiv. Category III Foreign Portfolio Investors, which are foreign corporates or foreign individuals only under the Other Investors Category;
- xv. Scientific and/ or industrial research organizations authorised in India to invest in the Equity Shares; and
- xvi. Any other person eligible to Apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

### Applications should not be made by:

- i. Minors (except through their Guardians)
- ii. Partnership firms or their nominations
- iii. Foreign Nationals (except NRIs)
- iv. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.



The Equity Shares have not been and will not be registered under the U.S. Securities Act, 1933 (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 an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold 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 sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

*The information below is given for the benefit of the applicants. Our Company, and the Lead Manager do not accept responsibility for the completeness and accuracy of the information stated. Our Company, and the Lead Manager is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the draft prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for does not exceed the limits prescribed under laws or regulations.*

#### **MAXIMUM AND MINIMUM APPLICATION SIZE:**

##### **1. For Retail Individual Applicants:**

The Application must be for a minimum of 6,000 Equity Shares and in multiples of 6,000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs 2,00,000. As the application price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application only for minimum Application size i.e., for 6,000 Equity Shares.

##### **2. For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs 2,00,000 and in multiples of 6,000 Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs 2,00,000 for being considered for allocation in the Non-Institutional Portion.

##### **3. Minimum Bid Lot: 6,000 Equity Shares**

#### **BASIS OF ALLOTMENT**

Allotment will be made in consultation with the Designated Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).
- b) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For applications where the proportionate allotment works out to less than 6,000 Equity Shares the allotment will be made as follows:
  - i) Each successful applicant shall be allotted 6,000 Equity Shares;
  - ii) The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- d) If the proportionate allotment to an applicant works out to a number that is not a multiple of 6,000 Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 6,000 Equity Shares subject to a minimum allotment of 6,000 Equity Shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares



are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 6,000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.

- f) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for Retail Individual applicants as described below:
- As per Regulation 253(2) of the SEBI (ICDR) Regulations 2018, as the Retail Individual Investor category is entitled to minimum fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
  - Remaining to Individual applicants other than retail individual investors and other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
  - The unsubscribed portion in either of the categories specified in (i) or (ii) above may be available for allocation to the applicants in the other category, if so required.

“Retail Individual Investor” means an investor who applies for shares of value of not more than ₹2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the designated stock exchange.

The Executive Director/Managing Director of the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

#### **PARTICIPATION BY ASSOCIATES /AFFILIATES OF LM AND THE SYNDICATE MEMBERS**

The LM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the LM and Syndicate Members, if any may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

#### **APPLICATION BY MUTUAL FUNDS**

As per the current regulations, the following restrictions are applicable for investments by Mutual fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid-up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### **APPLICATIONS BY ELIGIBLE NRIS**

Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs intending to make payment through freely convertible foreign exchange and Applying on a repatriation basis could make payments through the ASBA process only by blocking the funds for the amount payable on application in their NRE Account or FCNR Accounts, maintained with banks authorised by the RBI to deal in foreign exchange.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents, accompanied by a bank certificate confirming that the payment has been made by blocking the relevant funds in their NRE or FCNR



account, as the case may be. Payment for Application by non-resident Applicants applying on a repatriation basis will not be accepted out of NRO accounts for the full Application amount, at the time of submission of the Application Form.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

#### **APPLICATIONS BY HUF**

Application by Hindu Undivided Families or HUFs should be in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Application by HUFs will be considered at par with Applications by individuals.

#### **APPLICATIONS BY FPI'S**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased upto the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to the RBI.

In case the total holding of an FPI 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 issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. In case of Applications made by FPIs, a verified true copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached along with the Application form, failing which our Company reserves the right to reject the Application without assigning any reasons thereof.

#### **APPLICATIONS BY BANKING COMPANIES**

In case of Applications made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any Application by a banking company without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a timebound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (ii) investment in a non-financial services company in excess

of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

#### **APPLICATIONS BY SCSB'S**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

#### **APPLICATIONS BY SEBI REGISTERED VENTURE CAPITAL FUNDS, ALTERNATIVE INVESTMENT FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The SEBI VCF Regulations and the SEBI FVCI Regulations, as amended, inter alia prescribe the investment restrictions on VCFs and FVCIs, respectively, registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only upto 33.33% of the investible funds in various prescribed instruments, including in public offerings.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulations.

All Non-Resident Applicants including Eligible NRIs, FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and / or commission. There is no reservation for Eligible NRIs, FIIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

Further, according to the SEBI Regulations, the shareholding of VCFs, category I or II AIFs and FVCIs held in a company prior to making an initial public offering would be exempt from lock-in requirements only if the shares have been held by them for at least one year prior to the time of filing the draft prospectus with SEBI. However, such equity shares shall be locked in for a period of at least one year from the date of purchase by the VCF, category I or II AIF or FVCI, as the case may.

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of Applications made by Insurance Companies, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (the "IRDAI Investment Regulations") are broadly set forth below:

- a) Equity shares of a company: the lower of 10% of the outstanding Equity Shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) The industry sector in which the investee company belong to not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) and (iii) above, as the case may be.



The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12.00% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000.00 million or more but less than ₹2,500,000.00 million.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

#### **APPLICATIONS BY PROVIDENT FUNDS/ PENSION FUNDS**

In case of Applications made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof.

#### **APPLICATIONS UNDER POWER OF ATTORNEY**

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Mutual Funds, Eligible FPIs, insurance companies Systemically Important Non-Banking Financial Companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million and pension funds with a minimum corpus of ₹ 250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/ or bye laws, as applicable must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any such Application without assigning any reasons therefor.

#### **APPLICATIONS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Application by Systemically Important Non-Banking Financial Companies, certified copy of a) the certificate of registration issued by RBI, b) certified copy of its latest audited financial statement on a standalone basis and a net worth certificate from its statutory auditor and c) such other approval as may be required by Systemically Important Non-Banking Financial Companies are required to be attached to the Application Form. Failing this, our Company reserves the right to accept or reject any such Application without assigning any reasons therefor. Systemically Important Non-Banking Financial Companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

*The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this draft prospectus. Applicants are advised to make their independent investigations and Applicants are advised to ensure that any single Application from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this draft prospectus.*

#### **ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA)**

Applicants In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

#### **METHOD AND PROCESS OF APPLICATIONS**

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.



4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.
6. The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.
7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
8. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### TERMS OF PAYMENT

The entire Issue price of ₹20/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

#### PAYMENT MECHANISM

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount.

**However, Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage.** In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No.



SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them (iii) the applications accepted but not uploaded by them or (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) The applications accepted by any Designated Intermediaries (ii) The applications uploaded by any Designated Intermediaries or (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sl. No.	Details*
1	Symbol
2	Intermediary Code
3	Location Code
4	Application No.
5	Category
6	PAN
7	DP ID
8	Client ID
9	Quantity
10	Amount

\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:
  - ❖ Name of the Applicant;
  - ❖ IPO Name;
  - ❖ Application Form Number;
  - ❖ Investor Category;
  - ❖ PAN (of First Applicant, if more than one Applicant);
  - ❖ DP ID of the demat account of the Applicant;
  - ❖ Client Identification Number of the demat account of the Applicant;
  - ❖ Number of Equity Shares Applied for;
  - ❖ Bank Account details;
  - ❖ Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - ❖ Bank account number.
8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the



above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Draft Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **ALLOCATION OF EQUITY SHARES**

- 1) The Issue is being made through the Fixed Price Process wherein 1,38,000 Equity Shares shall be reserved for Market Maker and 25,56,000 Equity shares (Net Issue) will be allocated on a proportionate basis to Retail Individual Applicants, and Non-Retail Applicants.
- 2) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
- 3) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage and retail individual investors can withdraw or revise their bids till issue closure date
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

#### **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act 2013, our Company shall, after filing the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation where the registered office of the Company is situated.

#### **ISSUANCE OF ALLOTMENT ADVICE (CAN)**

- 1) Upon approval of the basis of allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment



and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

#### DESIGNATED DATES

Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with NSE-EMERGE	[●]
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	[●]
Credit of Equity Shares to demat accounts of the Allottees	[●]
Commencement of trading of the Equity Shares on NSE-EMERGE	[●]

**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 EMERGE Platform of NSE are taken within 6 working days of the issue closing date, 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 the NSE-EMERGE in accordance with the applicable laws

#### GENERAL INSTRUCTIONS

##### Do's:

- Check if you are eligible as per the terms of this Prospectus and under applicable law, rules, regulations, guidelines and approvals. All applicants (other than Anchor Investors) should submit their Bids through the ASBA process only;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application
- Ensure that the Demographic Details are updated, true and correct in all respects;
- 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.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Instruct your respective Banks to not release the funds blocked in the ASBA Account/UPI ID linked Bank Account under the ASBA process;
- Ensure that the Applications are submitted at the Collection centres only on forms bearing the stamp of the Syndicate or Registered Broker or RTAs or DPs or SCSB (except in case of electronic forms). Ensure that your Application is submitted either to a member of the Syndicate (in the Specified Locations), a Designated Branch of the SCSB where the Applicant has a bank account or a UPI ID linked Bank Account, or to a Registered Broker at the Broker Centres or to RTAs or DPs at collection centres and not to our Company.
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder.
- Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account or UPI ID, as applicable) in the Application Form if you are not a Retail Individual Investor bidding using the UPI Mechanism in the Application Form and if you are a Retail Individual Investor using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Application Form.
- Submit revised Applications to the same member of the Syndicate, SCSB or Non-Syndicate Registered Broker, or RTAs or DPs as applicable, through whom the original Application was placed and obtain a revised TRS;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the draft prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- All Investors submit their applications through the ASBA process only except as mentioned in SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 & SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated

March 16, 2021;

- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned here in or in the Application Form;
- Do not apply on another Application Form after you have submitted an application to the SCSBs, Registered Brokers of Stock Exchange, RTA and DPs registered with SEBI;
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs.2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- Do not make more than one application from one bank account.
- Do not use third party bank account or third-party UPI ID linked Bank Account for making the Application;

***Instructions for Completing the Application Form***

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of NSE i.e., [www.nseindia.com](http://www.nseindia.com) and NSE i.e., [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of ETA and DPs centers for collecting the application shall be disclosed is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com) and NSE i.e., [www.nseindia.com](http://www.nseindia.com).

***Applicant's Depository Account and Bank Details***

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

**Submission of Application Form**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

**Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

**Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE-EMERGE platform where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
- Giving of Instructions for refund by unblocking of amount via ASBA not later than 4 (four) working days of the Issue Closing Date, would be ensured; and
- If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

**Right to Reject Applications**

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

**OTHER INSTRUCTIONS FOR THE APPLICANTS****Joint Applications**

In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

**Multiple Applications**

An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to the Designated Intermediaries and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

**IMPERSONATION:**

Attention of the application is specifically drawn to the provisions of the sub-section (1) of Section 38 of the companies Act, 2013 which is reproduced below:

"Any person who

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.
- d) The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending upto 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 upto three times of such amount."

**INVESTOR GRIEVANCE**

In case of any pre-Issue or post-Issue related problems regarding demat credit/refund orders/unblocking etc., the Investors can contact the Compliance Officer of our Company.

**NOMINATION FACILITY TO APPLICANT**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

**GROUND FOR TECHNICAL REJECTIONS**

Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity shares applied for;
- In case of partnership firms, Application for Equity Shares made in the name of the individual partners and no firm as such shall be entitled to apply.
- Application by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane person.
- PAN not mentioned in the Application Form.
- GIR number furnished instead of PAN.
- Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- Applications made using a third-party bank account or using third party UPI ID linked bank account;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 6,000;
- Category not ticked;
- Multiple Applications as defined in this draft prospectus as such, based on common PAN;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and draft prospectus as per the instructions in this draft prospectus and Application Forms;
- In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US person other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Application not duly signed by the sole applicant;
- Application by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Application that do not comply with the securities laws of their respective jurisdictions are liable to be rejected.
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals. Application or revision thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000 received after 3.00 pm on the issue Closing date unless the extended time is permitted by BSE.
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;





- Applications by Applicants, other Retail Individual Applicants, not submitted through ASBA process and Applications by Retail Individual Applicants not submitted through ASBA process or the UPI process;
- Failure of Retail Individual Applicants to validate the request of blocking of Application amount sent by the Sponsor Bank;
- Applications not uploaded on the terminals of the Stock Exchanges;
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form;
- Details of ASBA Account not provided in the Application form;
- In case of Retail Individual Applicants applying through the UPI mechanism, details of UPI ID, not provided in the Application form; etc.

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID and UPI Circular.

APPLICANT SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

#### **Names of entities responsible for finalizing the basis of allotment in a fair and proper manner**

The authorised employees of the Stock Exchange, along with the LM and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **Completion of Formalities for Listing & Commencement of Trading**

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 (six) Working Days of the Issue Closing Date. The Registrar to the Issue may dispatch the Allotment Advice within 6 (six) Working Days of the Issue Closing Date.

### **SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC**

- a) The issue is 100% underwritten. Our company has entered in to an Underwriting Agreement dated [●] with Lead Manager. For further information, please refer section **“General Information”** beginning from page no 34 of this draft prospectus.
- b) A copy of prospectus will be filled with the RoC in terms of Section 26 & 32 of Companies Act, 2013.

### **UNDERTAKINGS BY OUR COMPANY**

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6(six) Working days of Issue Closing Date.
- 3) That the funds required for making refunds/unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the registrar to the issue by the issuer.
- 4) That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period 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.
- 5) That the promoters' contribution in full, wherever required, shall be brought in advance before the Issue opens for public subscription and the balance, if any, shall be brought on a pro rata basis before the calls are made on public in accordance with applicable provisions in these regulations.
- 6) That no further issue of securities shall be made till the securities offered through the draft prospectus are listed or till the application monies are refunded on account of non-listing, under subscription, etc., other than as disclosed in accordance with Regulation 19.
- 7) That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of allotment.
- 8) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre- Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 9) That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;

**UTILIZATION OF ISSUE PROCEEDS**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested.
- 4) The utilisation of monies received under the Promoters' contribution shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- 5) The details of all unutilised monies out of the funds received under the Promoters' contribution shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

**EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Agreement dated 22<sup>nd</sup> July, 2021 between NSDL, the Company and the Registrar to the Issue;
- b) Agreement dated 22<sup>nd</sup> July, 2021 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. "INE0IGO01011".



## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the FEMA and various regulations made thereunder. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”) makes policy announcements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA. The DIPP also issues the Consolidated Foreign Direct Investment Policy from time to time. The regulatory framework pertaining to foreign investment, over a period of time, thus, consists of acts, regulations, master circulars, press notes, press releases, and clarifications among other amendments.

The current consolidated FDI policy circular of 2017, dated August 28, 2017 issued by the DIPP (“FDI Policy”) consolidates the policy framework which was in force as on August 28, 2017. All the press notes, press releases, clarifications on FDI issued by DIPP till August 27, 2017 stand rescinded as on August 28, 2017. In terms of the FDI Policy, Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route.

RBI has also issued Master Direction- Foreign Investment in India dated January 4, 2018. In terms of the Master Direction, an Indian company may issue fresh shares to persons resident outside India (who are eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions.

The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The 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 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 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 modification or changes in applicable laws or regulations, which may occur after the date of this draft prospectus. Applicants are advised 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.

**DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION**

**(THE COMPANIES ACT 2013)**  
**(COMPANY LIMITED BY SHARES)**  
**ARTICLES OF ASSOCIATION**

**OF**  
**DESTINY LOGISTICS AND INFRA LIMITED**

Subject to anything to the contrary hereinafter provided and unless the context requires otherwise, the Regulations contained in Table 'F' in the first Schedule to the Companies Act, 2013 (hereinafter referred to as Table 'F') shall apply to the company.

**INTERPRETATION**

- I. (1) In these regulations—
- a) "The Act" means the Companies Act, 2013,
  - b) "The seal" means the common seal of the company.
  - c) "Public company" means a company which—
    - a) is not a private company;  
Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles;
- (2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

**SHARE CAPITAL AND VARIATION OF RIGHTS**

- II. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.
2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—
- (a) One certificate for all his shares without payment of any charges; or
  - (b) Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) The Company agrees to issue certificate within fifteen days of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;
- (iii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iv) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in



lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

- (ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures of the company.
4. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.
- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
- (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.
- 8A. (i) Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered:
- (a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions specified in the relevant provisions of Section 62 of the Act.
- (b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such other conditions as may be prescribed under the relevant rules of Section 62.
- (c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the relevant rules of Section 62.
- (ii) The notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.
- (iii) Nothing in this Article shall apply to the increase of the subscribed capital of company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:  
Provided that the terms of issue of such debentures or loan containing such an option have been approved, before the issue of such debentures or the raising of loan, by a special resolution passed by the company in general meeting.

#### DEMATERIALISATION OF SHARES

- 8B. (i) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its shares, debentures and other securities and to offer any shares, debentures or other securities proposed to be issued by it for subscription in a dematerialized form and on the same being done, the Company shall further be entitled to maintain a



Register of Members/ Debenture holders/ other security holders with the details of members/debenture holders/ other securities both in materialized and dematerialized form in any medium as permitted by the Act.

(ii) Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities in electronic form with a Depository. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its records the name of the allottee as the Beneficial Owner of the Security.

(iii) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus on shares, interest/premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by the Court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.

(iv) In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, shall apply.

Provided that in respect of the shares and securities held by the depository on behalf of a beneficial owner, provisions of Section 9 of the Depositories Act shall apply so far as applicable.

(v) Every Depository shall furnish to the Company, information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws of the Depository and the Company in that behalf.

(vi) Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act.

## LIEN

9.(i) The company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at fixed time in respect of such shares;

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.



12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

### CALLS ON SHARES

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:
- Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
- (iii) A call may be revoked or postponed at the discretion of the Board.
14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
18. The Board—
- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. Per annum, as may be agreed upon between the Board and the member paying the sum in advance.

### TRANSFER OF SHARES

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
20. The Board may, subject to the right of appeal conferred by section 58 decline to register—
- (a) The transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) Any transfer of shares on which the company has a lien.
- (c) Provided however that the Company will not decline to register or acknowledge any transfer of shares on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.
- (d) The common form of transfer shall be used by the Company.
21. The Board may decline to recognize any instrument of transfer unless—
- (a) The instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;



- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (c) The instrument of transfer is in respect of only one class of shares.
22. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:
- Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

### TRANSMISSION OF SHARES

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
- (a) To be registered himself as holder of the share; or
- (b) To make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:
- Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

### FORFEITURE OF SHARES

27. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
28. The notice aforesaid shall—
- (a) Name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
30. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.





- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
31. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
32. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (v) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
33. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### ALTERATION OF CAPITAL

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution
35. Subject to the provisions of section 61, the company may, by ordinary resolution,—
- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (c) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (d) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person
36. Where shares are converted into stock,—
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
- Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.
37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—
- (a) its share capital;
- (b) any capital redemption reserve account; or



(c) any share premium account.

### CAPITALISATION OF PROFITS

38. (i) The company in general meeting may, upon the recommendation of the Board, resolve—
- (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
  - (b) That such sum is accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
- (a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - (b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
  - (c) Partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (b);
  - (d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
  - (e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
- (a) Make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and
  - (b) Generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—
- (a) To make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and
  - (b) To authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.
- (iv) Capital paid-up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits.

### BUY-BACK OF SHARES

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

### GENERAL MEETINGS

41. All general meetings other than annual general meeting shall be called extra-ordinary general meeting.
42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.



### PROCEEDINGS AT GENERAL MEETINGS

43. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
44. (i) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

### ADJOURNMENT OF MEETING

47. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

### VOTING RIGHTS

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- (a) On a show of hands, every member present in person shall have one vote; and
- (b) On a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
50. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
52. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.
53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
54. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

### PROXY

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.



56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

### BOARD OF DIRECTORS

58. The name of First Directors of the Company is:-
1. **Mithilesh Kumar Jha**
  2. **Alka Sharma**
  3. **Jugal Kishore Bhagat**
  4. **Rekha Bhagat**
59. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
  - (b) in connection with the business of the company.
60. The Board may pay all expenses incurred in getting up and registering the company.
61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
62. All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
64. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

### PROCEEDINGS OF THE BOARD

65. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
66. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
- 68.(i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their numbers to be Chairperson of the meeting.
69. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.



- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
70. (i) A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
71. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

#### **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

74. Subject to the provisions of the Act,—
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
75. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### **THE SEAL**

76. (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

#### **DIVIDENDS AND RESERVE**

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
78. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
79. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
80. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.



(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

81. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
82. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.  
(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
83. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
85. No dividend shall bear interest against the company.

Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law

#### ACCOUNTS

86. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.  
(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorized by the Board or by the company in general meeting.

#### WINDING UP

87. Subject to the provisions of Chapter XX of the Act and rules made there under—
  - (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
  - (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided a0.2s aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
  - (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### INDEMNITY

88. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favor or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

**SECTION XII: OTHER INFORMATION****MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

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 (2) years before the date of the draft prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which have been attached to the copy of the prospectus delivered to the RoC for filing, and also the documents for inspection referred to hereunder, may be inspected at our Registered Office at 375, Dakshindari Road, Kolkata – 700 048, West Bengal, India, from 10.00 am to 5.00 pm on all Working Days from the date of draft prospectus until the Issue Closing Date.

**A. Material Contracts to the Issue**

1. Issue Agreement dated 4<sup>th</sup> September, 2021 entered into among our Company and the Lead Manager.
2. Agreement dated 31<sup>st</sup> August, 2021 entered into among our Company and the Registrar to the Issue.
3. Tripartite Agreement dated 22<sup>nd</sup> July, 2021 entered into among our Company, NSDL and the Registrar to the Issue.
4. Tripartite Agreement dated 22<sup>nd</sup> July, 2021 entered into among our Company, CDSL and the Registrar to the Issue.
5. Banker to the Issue Agreement [●] among our Company, the Lead Manager, Banker to the Issue and the Registrar to the Issue.
6. Market Making Agreement dated [●] between our Company, the Lead Manager and the Market Maker.
7. Underwriting Agreement dated [●] between our Company and the Lead Manager.

**B. Material Documents**

1. Certified 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. Resolution of the Board of Directors of our Company and Equity Shareholders of our Company dated August 30, 2021 and September 03, 2021 respectively, authorizing the Issue and other related matters.
4. Copies of Audited Financial Statements of our Company for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019.
5. Peer Review Auditors Report dated September 08, 2021 on Restated Financial Statements of our Company for the financial year ended March 31, 2021, March 31, 2020 and March 31, 2019.
6. Copy of Statement of tax benefits dated September 08, 2021 from the Peer Review Auditor included in this draft prospectus.
7. Consents of Directors, Company Secretary & Compliance Officer, Chief Executive Officer, Chief Financial Officer, Statutory Auditors, Peer Review Auditor, Legal Advisor to the Issue, Banker to the Issue, Sponsor Bank, Lead Manager, Registrar to the Issue, Underwriter and Market Maker to include their names in the draft prospectus to act in their respective capacities.
8. In-principle listing approval dated [●] from the NSE for listing the Equity Shares on the EMERGE Platform of NSE.
9. Due Diligence certificate dated [●] submitted to SEBI after filing the prospectus with RoC

Any of the contracts or documents mentioned in this draft prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance with the provisions contained in the Companies Act, SEBI ICDR Regulations and other relevant statutes.

**DECLARATION**

We certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or 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 prospectus 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 prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
<b>Mrs. Rekha Bhagat</b> DIN: 03564763 Designation: Managing Director	<b>Sd/-</b>
<b>Mr. Mithilesh Kumar Jha</b> DIN: 02229913 Designation: Executive Director	<b>Sd/-</b>
<b>Mr. Jugal Kishore Bhagat</b> DIN: 02218545 Designation: Non-Executive Director	<b>Sd/-</b>
<b>Mr. Shir Sagar Pandey</b> DIN: 07656863 Designation: Independent Director	<b>Sd/-</b>
<b>Ms. Sweta Chaurasia</b> DIN: 09271786 Designation: Independent Director	<b>Sd/-</b>

**SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER**

S/d-

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**Mr. Mustafa Rangwala****SIGNED BY THE CHIEF FINANCIAL OFFICER (CFO)**

S/d-

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**Mr. Prasenjit Biswas****Dated:** September 13, 2021**Place:** Kolkata, West Bengal