



PATEL INTEGRATED LOGISTICS LIMITED

Patel Integrated Logistics Limited (“Company” or “Issuer”) was incorporated as ‘Patel Roadways Private Limited’ on June 22, 1962 as a private limited company under the Companies Act, 1956 with the Registrar of Companies, Maharashtra at Bombay and consequently a certificate of incorporation dated June 26, 1970 was issued to our Company. Our Company was converted into a deemed public company on September 20, 1988 and subsequently, pursuant to a special resolution of our Shareholders passed in an extra-ordinary general meeting dated February 07, 1990 our Company was converted into a full-fledged public limited company and subsequently, the name of our Company was changed to ‘Patel Roadways Limited’ and a fresh certificate of incorporation dated October 29, 1993, consequent to the conversion was issued to our Company by the Registrar of Companies, Maharashtra at Bombay. Pursuant to a scheme of amalgamation between Patel On-Board Couriers Limited and our Company approved by the Shareholders in their meeting dated May 19, 2006 and by the Hon’ble High Court of Judicature at Bombay vide its order dated August 11, 2006, the name of our Company was changed to ‘Patel Integrated Logistics Limited’ and a fresh certificate of incorporation dated September 26, 2006, consequent to the change of the name of our Company was issued by the Registrar of Companies, Maharashtra at Mumbai. The registered office of our Company was originally situated at Patel House, 100 Sheriff Deoji Street, Mumbai – 400 003, Maharashtra, India. Subsequently our registered office was shifted to Patel House, 5th floor, Plot No. 48, Gazdarbandh, North Avenue Road, Santacruz (West), Mumbai- 400 054, Maharashtra, India for administrative convenience.

Registered Office: Patel House, 5th floor, Plot No. 48, Gazdarbandh, North Avenue Road, Santacruz (West), Mumbai- 400 054, Maharashtra, India,
Tel: +91 022 2605 8476

Corporate Office (Address where books of account and papers are maintained): 52, Natasha, Hill Road, Bandra (West), Mumbai – 400 052, Maharashtra, India,
Tel: +91 022 2642 1242

Contact Person: Sweta Pankaj Parekh, Company Secretary and Compliance Officer, **E-mail:** sweta.parekh@patel-india.com; **Website:** www.patel-india.com;
Corporate Identification Number: L71110MH1962PLC012396

OUR PROMOTER- ASGAR SHAKOOR PATEL
FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF PATEL INTEGRATED LOGISTICS LIMITED (THE “COMPANY” OR THE “ISSUER”) ONLY
NEITHER OUR COMPANY NOR OUR PROMOTER HAS BEEN DECLARED AS A WILFUL DEFAULTER BY THE RBI OR ANY OTHER GOVERNMENT AUTHORITY

ISSUE OF UPTO [●] EQUITY SHARES OF FACE VALUE ₹ 10 EACH (“RIGHTS EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (THE “ISSUE PRICE”), AGGREGATING UPTO ₹ 950 LAKHS ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARE(S) FOR EVERY [●] FULLY PAID UP EQUITY SHARE(S) HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●] (THE “ISSUE”). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS [●] TIMES THE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED “TERMS OF THE ISSUE” ON PAGE 177 OF THIS DRAFT LETTER OF OFFER.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Rights Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Letter of Offer. Specific attention of the investors is invited to the section titled “Risk Factors” on page 21 of this Draft Letter of Offer.

OUR COMPANY’S ABSOLUTE RESPONSIBILITY

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

LISTING

The existing Equity Shares are listed on BSE Limited (“BSE”), National Stock Exchange of India Limited (“NSE”) and Calcutta Stock Exchange (“CSE”) (together, the “Stock Exchanges”). Our Company has received ‘in-principle’ approvals from the BSE, NSE and CSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide their letters dated [●], [●] and [●], respectively. For the purpose of this Issue, the Designated Stock Exchange is BSE.

REGISTRAR TO THE ISSUE



BIGSHARE SERVICES PRIVATE LIMITED
 1st floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road,
 Marol, Andheri (East), Mumbai- 400 059, Maharashtra, India.
Telephone: +91 22 6263 8200, **Facsimile:** +91 22 6263 8280
E-mail: rightsissue@bigshareonline.com, **Website:** www.bigshareonline.com

Contact person: Ashish Bhoje
Investor grievance: investor@bigshareonline.com

SEBI Registration No: INR000001385

Validity of Registration: Permanent

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION	ISSUE CLOSSES ON
[●]	[●]	[●]

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

Unless otherwise specified, the capitalized terms used in this Draft Letter of Offer shall have the meaning as defined hereunder. References to any legislations, acts, regulation, rules, guidelines, circulars, notifications, policies or clarifications shall be deemed to include all amendments, supplements or re-enactments and modifications thereto notified from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under such provision.

Provided that terms used in the sections/ chapters titled “Industry Overview”, “Summary of this Draft Letter of Offer”, “Financial Information”, “Statement of Special Tax Benefits”, “Outstanding Litigation and Material Developments” and “Issue Related Information” on pages 68, 18, 98, 65, 164 and 177 respectively, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections/ chapters.

Company Related Terms

Term	Description
“Company”, “our Company”, “the Company”, “the Issuer”	Patel Integrated Logistics Limited, a public limited company incorporated under the Companies Act, 1956, having its registered office at Patel House, 5 th Floor, Plot No 48, Gazdarbandh, North Avenue Road, Santacruz (West), Mumbai – 400 054, Maharashtra, India.
“we”, “us”, or “our”	Unless the context otherwise indicates or implies, refers to our Company.
“Articles” / “Articles of Association” / “AoA”	Articles / Articles of Association of our Company, as amended from time to time.
“Annual Financial Statements”	Audited The consolidated audited financial statements of our Company prepared under Ind AS for Fiscal 2018 and standalone audited financial statements of the Fiscal 2019 and 2020 and for the three months period ended June 30, 2020, prepared in line with Ind AS notified under the Companies Act, 2013, as amended read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
“Audit Committee”	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”) and Section 177 of the Companies Act, 2013. For details, see “Our Management” on page 85 of this Draft Letter of Offer.
“Auditor” / “Statutory Auditor”/ “Peer Review Auditor”	Statutory and peer review auditor of our Company, namely, M/s. Hitesh Shah & Associates, Chartered Accountants.
“Board” / “Board of Directors”	Board of directors of our Company or a duly constituted committee thereof.
“Chief Financial Officer / CFO”	Deepak Madhukar Keni, the Chief Financial Officer of our Company.
“Company Secretary and Compliance Officer”	Sweta Pankaj Parekh, the Company Secretary and the Compliance Officer of our Company.
“Corporate Office”	Natasha, 52 Hill Road, Bandra (West), Mumbai – 400 052, Maharashtra, India.
“Corporate Responsibility Committee/ Committee”	Social CSR The committee of the Board of directors constituted as our Company’s corporate social responsibility committee in accordance with Section 135 of the Companies Act, 2013. For details, see “Our Management” 85 of this Draft Letter of Offer
“Director(s)”	The director(s) on the Board of our Company, unless otherwise specified.
“Equity Shareholder”	A holder of Equity Shares
“Equity Shares”	Equity shares of our Company of face value of ₹ 10 each.
“Erstwhile Subsidiary”	Deliverex India Limited, was the wholly owned subsidiary of our Company. It is currently under the process of striking off from the Register of Companies.
“Executive Directors”	Executive directors of our Company.

Term	Description
“Independent Director(s)”	The independent director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013.
“Key Management Personnel” / “KMP”	Key management personnel of our Company in terms of the Companies Act, 2013 and the SEBI ICDR Regulations as described in the subsection titled “ <i>Our Management – Key Managerial Personnel</i> ” on page 94 of this Draft Letter of Offer.
Materiality Policy	A policy adopted by our Company, in the Board meeting held on November 12, 2020 for identification of material litigation(s) for the purpose of disclosure of the same in this Draft Letter of Offer.
“Memorandum of Association” / “MoA”	Memorandum of Association of our Company, as amended from time to time.
“Nomination and Remuneration Committee”	The committee of the Board of directors reconstituted as our Company’s Nomination and Remuneration Committee in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013. For details, see “ <i>Our Management</i> ” on page 85 of this Draft Letter of Offer.
“Non-executive Directors”	Non-executive Directors of our Company.
“Non-Executive Independent Director”	Non-executive and independent directors of our Company, unless otherwise specified
“Promoter”	Asgar Shakoor Patel, the Promoter of our Company. For further details, see “ <i>Our Promoter</i> ” on page 95 of this Draft Letter of Offer.
“Promoter Group”	Individuals and entities forming part of the promoter and promoter group in accordance with SEBI ICDR Regulations.
“Registered Office”	The registered office of our Company located at Patel House, 5 th Floor, Plot No 48, Gazdarbandh, North Avenue Road, Santacruz (West), Mumbai – 400 054, Maharashtra, India.
“Registrar of Companies”/ “RoC”	Registrar of Companies, Mumbai situated at 100, Everest, Marine Drive, Mumbai-400 002, Maharashtra, India.
Restated Consolidated Financial Statements	Restated consolidated financial statements of our Company for the Fiscals 2018 prepared in accordance with the Companies Act and restated in accordance with the requirements of the SEBI ICDR Regulations. For details, see “ <i>Financial Statements</i> ” 98.
Restated Standalone Financial Statements	Restated standalone financial statements of our Company for the Fiscals 2019 and 2020 and for the three months period ended June 30, 2020 prepared in accordance with the Companies Act and restated in accordance with the requirements of the SEBI ICDR Regulations. For details, see “ <i>Financial Statements</i> ” 98.
Restated Financial Statements	Restated Consolidated Financial Statements and Restated Standalone Financial Statements.
“Rights Issue Committee”	The committee of our Board constituted for purposes of the Issue and incidental matters thereof.
“Shareholders/ Equity Shareholders”	The Equity Shareholders of our Company, from time to time.
“Stakeholders’ Relationship Committee”	The committee of the Board of Directors constituted as our Company’s Stakeholders’ Relationship Committee in accordance with Regulation 20 of the SEBI Listing Regulations. For details, see “ <i>Our Management</i> ” on page 85 of this Draft Letter of Offer.

Issue Related Terms

Term	Description
2009 ASBA Circular	The SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009
2011 ASBA Circular	The SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011
Abridged Letter of Offer	Abridged Letter of Offer to be sent to the Eligible Equity Shareholders with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act.
Allot/Allotment/Allotted	Allotment of Rights Equity Shares pursuant to the Issue.
Allotment Account	The account opened with the Banker(s) to the Issue, into which the Application Money lying to the credit of the escrow account(s) and amounts blocked by

Term	Description
	Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act.
Allotment Advice	Note, advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue.
Allotment Date	Date on which the Allotment is made pursuant to the Issue.
Allottee(s)	Person(s) who are Allotted Rights Equity Shares pursuant to the Allotment.
Applicant(s) / Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to the Issue in terms of this Draft Letter of Offer, including an ASBA Investor.
Application	Application made through (i) submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, or (ii) filling the online Application Form available on B-WAP, to subscribe to the Rights Equity Shares at the Issue Price.
Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application at B-WAP facility or through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue.
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price.
Application Supported by Blocked Amount/ASBA	Application (whether physical or electronic) used by ASBA Applicants to make an Application authorizing a SCSB to block the Application Money in the ASBA Account
ASBA Account	Account maintained with a SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Equity Shareholders, as the case may be.
ASBA Applicant / ASBA Investor	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including renouncees) shall make an application for a rights issue only through ASBA facility.
ASBA Bid	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
B-WAP	In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, a separate web-based application platform, i.e., the B-WAP facility (accessible at www.bigshareonline.com), instituted for making an Application in this Issue by resident original shareholder. Further, B-WAP is only an additional option and not a replacement of the ASBA process.
Banker(s) to the Issue	Collectively, the Escrow Collection Bank and the Refund Banks to the Issue.
Bankers to the Issue Agreement	Agreement to be entered into by and amongst our Company, the Registrar to the Issue and the Bankers to the Issue for collection of the Application Money from Applicants/Investors, transfer of funds to the Allotment Account and where applicable, refunds of the amounts collected from Applicants/Investors, on the terms and conditions thereof.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in the Issue and which is described in “ <i>Terms of the Issue</i> ” on page 177.
Consolidated Certificate	The certificate that would be issued for Rights Equity Shares Allotted to each folio in case of Eligible Equity Shareholders who hold Equity Shares in physical form.
Controlling Branches/ Controlling Branches of the SCSBs	Such branches of SCSBs which coordinate Bids under the Issue with the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at http://www.sebi.gov.in .
Demographic Details	Details of Investors including the Investor’s address, name of the Investor’s father/ husband, investor status, occupation and bank account details, where applicable.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&in

Term	Description
	tmId=35, updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	BSE Limited
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996.
Draft Letter of Offer/DLoF/DLOF	This draft letter of offer dated December 22, 2020 filed with Stock Exchange, in accordance with the SEBI ICDR Regulations, for their observations. <i>Vide</i> SEBI Circular April 21, 2020 bearing number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 and SEBI ICDR (Fourth Amendment) Regulations, 2020, our Company has been exempted from filing this Draft Letter of Offer with SEBI.
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being [●].
Eligible Equity Shareholders	Existing Equity Shareholders as on the Record Date. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For further details, see “ <i>Notice to Investors</i> ” on page 11.
Issue / Rights Issue	Issue of up to [●] Equity Shares of face value of ₹ 10 each of our Company for cash at a price of ₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share) aggregating up to ₹ 950 lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date.
Issue Closing Date	[●]
Issue Opening Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their Applications, in accordance with the SEBI ICDR Regulations.
Issue Price	₹ [●] per Rights Equity Share.
Issue Proceeds	Gross proceeds of the Issue.
Issue Size	Amount aggregating up to ₹ 950 lakhs
Letter of Offer/LOF	The final letter of offer to be filed with the Stock Exchanges and submitted with SEBI.
Net Proceeds	Proceeds of the Issue less our Company’s share of Issue related expenses. For further information about the Issue related expenses, see “ <i>Objects of the Issue</i> ” on page 61 of this Draft Letter of Offer.
Non-ASBA Investor/ Non-ASBA Applicant	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process comprising Eligible Equity Shareholders holding Equity Shares in physical form or who intend to renounce their Rights Entitlement in part or full and Renounees.
Non-Institutional Bidders or NIIs	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations.
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws.
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before [●], [●].
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, being [●].
Refund Bank(s)	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being [●].

Term	Description
“Registrar to the Issue” / “Registrar”	Bigshare Services Private Limited.
Registrar Agreement	Agreement dated [●] entered into among our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Renouncee(s)	Person(s) who has/have acquired the Rights Entitlement from the Eligible Equity Shareholders on renunciation.
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [●],[●] in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date.
Retail Individual Bidders(s)/Retail Individual Investor(s)/ RII(s)/RIB(s)	An individual Investor (including an HUF applying through karta) who has applied for Rights Equity Shares and whose Application Money is not more than ₹200,000 in the Issue as defined under Regulation 2(1)(vv) of the SEBI ICDR Regulations.
Rights Entitlement	The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, being [●] Rights Equity Shares for [●] Equity Shares held on [●], [●]. The Rights Entitlements with a separate ISIN: [●] will be credited to your demat account before the date of opening of the Issue, against the equity shares held by the Equity Shareholders as on the record date.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements are also accessible through the B-WAP facility and link for the same will be available on the website of our Company.
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to this Issue.
SEBI Rights Issue Circulars	Collectively, SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, bearing reference number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 and SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020.
Self-Certified Syndicate Banks” or “SCSBs	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time
Stock Exchanges	Stock exchange where the Equity Shares are presently listed, being BSE, NSE & CSE
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.
Wilful Defaulter	A Company or person, as the case may be, categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI, including any company whose director or promoter is categorized as such.
Working Day	All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided

Term	Description
	however, with reference to (a) announcement of Price Band; and (b) Bid/Issue Period, Term Description the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchange. "Working Day" shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

Business and Industry related Terms or Abbreviations

Term	Description
3PL	Third-Party Logistics
ATAG	Air Transport Action Group
B2B	Business to Business
CAGR	Compounded Annual Growth Rate
Covid-19	Coronavirus Disease 2019
FMCG	Fast-Moving Consumer Goods
FRP	Financial, Real Estate and Professional services
FTWZs	Free Trade Warehousing Zones
GDP	Gross Domestic Product
GVA	Gross Value Added
IATA	International Air Transport Association
IIP	Index of Industrial Production
IMF	International Monetary Fund
INR	Indian Rupee (₹)
MMT	Million Metric Tonnes
OPEC	Organisation of the Petroleum Exporting Countries
RTKs	Revenue Tonne Kilometers
THTCB	Trade, Hotels, Transport and Communication Services
USA/US	United States of America
USD/ US\$	US Dollar

Conventional and General Terms or Abbreviations

Term	Description
A/c	Account
AGM	Annual general meeting
AIF	Alternative investment fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CSE	Calcutta Stock Exchange
CAGR	Compounded Annual Growth Rate.
CDSL	Central Depository Services (India) Limited.
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970.
Companies Act, 2013 / Companies Act	Companies Act, 2013 along with rules made thereunder.
Companies Act 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections).
CSR	Corporate Social Responsibility
Depository(ies)	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.

Term	Description
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant's Identification Number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary General Meeting
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
Financial Year/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GoI / Government	The Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended
INR or ₹ or Rs. Or Indian Rupees	Indian Rupee, the official currency of the Republic of India.
ISIN	International Securities Identification Number
IT	Information Technology
MCA	The Ministry of Corporate Affairs, GoI
Mn / mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NAV	Net Asset Value
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect.
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before

Term	Description
	such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue.
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after Tax
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended
Regulation S	Regulation S under the United States Securities Act of 1933, as amended
SCRA	Securities Contract (Regulation) Act, 1956 of 1933, as amended
SCRR	The Securities Contracts (Regulation) Rules, 1957 as amended
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
Securities Act	The United States Securities Act of 1933.
STT	Securities Transaction Tax
State Government	The government of a state in India
Trademarks Act	Trademarks Act, 1999
TDS	Tax deducted at source
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value Added Tax
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve month period ending December 31

NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, the Abridged Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will electronically dispatch through email the Letter of Offer / Abridged Letter of Offer and Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, the Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access the Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Stock Exchanges, and on B-WAP.

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

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

Neither the delivery of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer, the Letter of Offer and the Abridged Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.

THE CONTENTS OF THIS DRAFT LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF

EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof (“**United States**”), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The offering to which this Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, this Draft Letter of Offer/ Letter of Offer / Abridged Letter of Offer and the enclosed Application Form and Rights Entitlement Letters should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and the Draft Letter of Offer/ Letter of Offer / Abridged Letter of Offer and Application Form and Rights Entitlement Letter will be dispatched only to Eligible Equity Shareholders who have an Indian address. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

PRESENTATION OF FINANCIAL INFORMATION

Certain Conventions

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

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

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

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

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

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Letter of Offer has been derived from our Financial Statements. For details, please see “*Financial Information*” on page 98. Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The GoI has adopted the Indian accounting standards (“**Ind AS**”), which are converged with the International Financial Reporting Standards of the International Accounting Standards Board (“**IFRS**”) and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the “**Ind AS Rules**”). The Restated Consolidated Financial Statements of our Company and its Erstwhile Subsidiary for the Financial Year ended March 2018 and the Restated Standalone Financial Statements of our Company for the Financial Year ended March 2019 and March 2020 and the three months period ended June 30, 2020 have been prepared in accordance with Ind AS as prescribed under Section 133 of Companies Act read with the Ind AS Rules and other the relevant provisions of the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (revised), 2019, issued by the ICAI. Our Company publishes its financial statements in Rupees.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off and unless otherwise specified all financial numbers in parenthesis represent negative figures. Our Company has presented all numerical information in the Financial Statements in whole numbers and in this Draft Letter of Offer in “lakh” units or in whole numbers where the numbers have been too small to represent in lakh. One lakh represents 1,00,000 and one million represents 1,000,000.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Draft Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Letter of Offer should accordingly be limited. For further information, see “*Financial Information*” on page 98.

Certain figures contained in this Draft Letter of Offer, including financial information, have been subject to rounded off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Draft Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii)

the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India;
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America; and
- “Euro” or “€” are to Euros, the official currency of the European Union.

Our Company has presented certain numerical information in this Draft Letter of Offer in “lakh” or “Lac” units or in whole numbers. One lakh represents 1,00,000 and one million represents 1,000,000. All the numbers in the document have been presented in lakh or in whole numbers where the numbers have been too small to present in lakh. Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operation*” and elsewhere in this Draft Letter of Offer, unless otherwise indicated, have been calculated based on our Restated Financial Information.

Exchange Rates

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

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency	Exchange rate as on			
	September 30, 2020	March 31, 2020	March 31, 2019*	March 31, 2018**
1 USD	73.80	75.38	69.17	65.04
1 Euro	86.57	83.04	77.70	80.62

(Source: RBI reference rate)

*Exchange rate as on March 29, 2019, as RBI reference rate is not available for March 31, 2019 and March 30, 2019 being a Saturday and Sunday, respectively.

**Exchange rate as on March 28, 2018, as RBI reference rate is not available for March 31, 2018, March 30, 2018 and March 29, 2018 being a Saturday and public holidays, respectively.

(Source: www.rbi.org.in and www.fbil.org.in)

Industry and Market Data

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

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

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

FORWARD - LOOKING STATEMENTS

This Draft Letter of Offer contains certain “forward-looking statements”. Forward looking statements appear throughout this Draft Letter of Offer, including, without limitation, under the chapters titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Industry Overview*”. Forward-looking statements include statements concerning our Company’s plans, objectives, goals, strategies, future events, future revenues or financial performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, our Company’s competitive strengths and weaknesses, our Company’s business strategy and the trends our Company anticipates in the industries and the political and legal environment, and geographical locations, in which our Company operates, and other information that is not historical information. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “continue”, “can”, “could”, “expect”, “estimate”, “intend”, “likely”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “shall”, “seek to”, “will”, “will continue”, “will pursue”, “forecast”, “target”, or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company’s business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Draft Letter of Offer that are not historical facts. These forward-looking statements contained in this Draft Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

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

- trends in the Indian logistics industry;
- performance of the industries in which our clients operate;
- performance of our key clients and our relationship with our intermediaries;
- adverse effect of competition on our market share and profits;
- changes in technology and our ability to manage any disruption or failure of our technology systems;
- our ability to:
 - acquire warehouses and other logistics facilities at desirable locations in India;
 - manage our growth effectively;
 - manage our credit risk;
 - manage our quality of services;
 - hire and retain senior management personnel and other skilled manpower;
 - manage cost of compliance with labor laws or other regulatory developments;
 - manage our operating costs;
 - manage breakdown or failure of equipment, power supply or processes, natural disasters and accidents;
 - successfully implement our business strategies and expansion plans;
 - maintain effective internal controls;
- adequate and timely supply of assets necessary for our operations such as vehicles and equipment;
- state of road, air and other transportation infrastructure in India;
- changes in general, political, social and economic conditions in India and elsewhere;
- general levels of GDP growth, and growth in employment and personal disposable income; and
- economic uncertainties, fiscal crises or instability in India.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on pages 21, 76 and 142, respectively, of this Draft Letter of Offer. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward-looking statements reflect the current views of our Company as of the date of this Draft Letter of Offer and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, our Promoter, the Syndicate Member(s) nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company will ensure that investors are informed of material developments from the date of this Draft Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchange.

SUMMARY OF THIS DRAFT LETTER OF OFFER

The following is a general summary of the terms of this Issue, and should be read in conjunction with and is qualified by the more detailed information appearing in this Draft Letter of Offer, including the sections titled “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Our Business”, “Industry Overview”, “Outstanding Litigation and Material Developments” and “Terms of the Issue” on pages 21, 50, 55, 61, 76, 68, 164 and 177 respectively.

1. Summary of Industry

In India the air transport industry contributed about US\$ 30 billion annually to India's GDP, and directly employed more than 390,000 people while supporting another 570,000 in the supply chain as per the July 2016 study carried out by Air Transport Action Group. The Indian warehouse market was worth INR 615 Billion in 2019. Warehousing involves storage of goods and merchandise to protect the quality and quantity of the stored products awaiting future use. It is an integral part of the logistics value chain, forming the node, which allows for collection, sorting and dissemination of goods within the supply chain.

For further details, please refer to the chapter titled “Industry Overview” at page 68 of this Draft Letter of Offer.

2. Summary of Business

We are engaged in the business of providing logistics services and unified solutions focusing on air transportation and surface transportation as well as ancillary services such as courier services and warehousing. We operate our business through a pan-India network comprising 24 branch offices and presence across India covering major cities/towns/airports. In 1994, our Company through an initial public offering listed its Equity Shares on BSE Limited, Delhi Stock Exchange Limited, Ahmedabad Stock Exchange Limited, Madras Stock Exchange Limited and Calcutta Stock Exchange Limited. Subsequently, in 2008, the Equity Shares of our company were listed on National Stock Exchange Limited.

For further details, please refer to the chapter titled “Our Business” at page 76 of this Draft Letter of Offer.

3. Our Promoter

The Promoter of our Company is Asgar Shakoor Patel.

For further details please see chapter titled “Our Promoter” beginning on page 95 of this Draft Letter of Offer.

4. Objects of the Issue

The Net Proceeds are proposed to be used in the manner set out in the following table:

Particulars	Amount
Repayment and/or prepayment of a portion of the principal and/or interest of certain borrowings availed by our Company	850.00
General corporate purposes	[●]
Total Net proceeds	[●]

The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds. However, if our Company receives subscription between 75% to 90%, of the Issue Proceeds, at least 75% of the Issue Proceeds shall be utilized for repayment and/or prepayment of a portion of the principal and / or interest of certain borrowings availed by our Company.

For further details, please see chapter titled “Objects of the Issue” beginning on page 61 of this Draft Letter of Offer.

5. Summary of Restated Financial Information

Following are the details as per the Restated Financial Information as at and for the Financial Years ended on March 31, 2018, 2019 and 2020 and the three months period ended June 30, 2020:

S. No.	Particulars	June 30, 2020	March 31, 2020	March 31, 2019	March 31, 2018
1.	Authorised Share Capital	30,00,00,000	30,00,00,000	20,00,00,000	20,00,00,000
2.	Paid-up Capital	16,53,59,230	16,53,59,230	16,53,59,230	16,53,59,230
3.	Net Worth attributable to Equity Shareholders	118,12,33,805	1,19,03,04,665	1,28,07,70,731	1,27,35,26,459
4.	Total Revenue	15,88,08,925	3,47,40,92,723	4,47,74,82,834	4,23,67,84,901
5.	Profit after tax	(97,83,076)	10,74,06,119	6,32,53,988	8,15,47,503
6.	Earnings per Share (basic & diluted) (in ₹)	(0.59)	6.50	3.83	4.99
7.	Net Asset Value per Equity Share (in ₹)	71.43	71.98	77.45	77.87
8.	Total Borrowings	65,80,41,331	64,99,46,939	77,72,30,264	69,91,69,664

For further details, please refer the section titled “*Financial Information*” on page 98 of this Draft Letter of Offer.

6. Summary of Outstanding Litigation

A summary of the pending tax proceedings and other material litigations involving our Company, our Promoter, our Directors and our Group Companies is provided below:

Litigations involving our Company

- i) Cases filed against our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Criminal matters	02	12.30
Direct Tax matters	-	-
Indirect Tax matters	-	-
Actions taken by regulatory authorities	-	-
Material civil litigations	03	231.18

*To the extent quantifiable

- ii) Cases filed by our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Criminal matters	08	44.1
Direct Tax matters	-	-
Indirect Tax matters	-	-
Actions taken by regulatory authorities	-	-
Material civil litigations	02	780.27

*To the extent quantifiable

For further details, please see the chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 164 of this Draft Letter of Offer.

7. Risk Factors

Please see the chapter titled “*Risk Factors*” beginning on page 21 of this Draft Letter of Offer.

8. Summary of Contingent Liabilities

Following are the details as per the Restated Financial Information as at and for the Financial Year ended on March 31, 2020:

Particulars	(₹ in lakhs)
Counter guarantees given to Banks against credit facilities	233.15
Counter guarantees given to Late Mr. Areef Patel, Executive Vice Chairman for guarantees provided by him against credit facilities and for which no monetary benefit has accrued to Late Mr. Areef Patel, Executive Vice Chairman.	3,365.00

Particulars	(₹ in lakhs)
Claims against the Company not acknowledged as debts	616.09
Total	4,214.24

For further details, please see the chapters titled “*Restated Financial Information- Annexure –V- Notes to Restated Financial Statements- Note 35- Contingent Liabilities*” at page 133 of the Restated Financial Information in this Draft Letter of Offer.

9. Summary of Related Party Transactions

Nature of Transaction	Name of the related party	Three months period ended June 30, 2020	Year ended 31st Mar 20	Year ended 31st Mar 19	Year ended 31st Mar 18
Consultancy Charges	A.S.Patel	15,00,000	40,00,000	23,26,838	
Directors Sitting Fees	A.S.Patel	-	-	50,000	25,000
Investment in Shares written off	Deliverex India Limited	-	1,00,000	1,00,000	1,00,000
Loans and advances given	Deliverex India Limited	-	-	2,999	-
Purchase of Fixed Assets	Deliverex India Limited	-	-	12,18,000	-
Loan written off	Deliverex India Limited	-	-	26,19,835	38,34,836
Lease Rent Paid	Deliverex India Limited	-	-	-	18,98,070
Interest on ICD Received	Patel Holdings Private Ltd	-	-	-	9,52,956
Rent Received	One Capital Ltd	-	1,18,920	7,75,050	7,38,120
Managerial Remuneration	Late. Areef Patel	-	1,18,24,301	78,18,527	61,49,151
	Syed Husain	8,51,640	31,38,085		
	Mahesh Fogla	7,40,168	42,64,087	44,30,896	32,58,751
	Nitin Akolkar	2,14,461	9,31,669	11,26,496	8,12,362
Deposit	A. S. Patel Trust	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000
				0	0
ICD taken	Natasha Construction Projects Private Ltd	2,00,00,000	2,00,00,000	-	-
Interest on ICD	Natasha Construction Projects Private Ltd	2,33,333	2,33,333	-	-

For further details, please refer “*Restated Financial Information- Annexure V- Notes to Restated Financial Statements- Note 41- Related Party Disclosures*” at page 135 of the Restated Financial Information in this Draft Letter of Offer.

10. Issue of equity shares made in last one year for consideration other than cash

Our Company has not made any issuances of Equity Shares in the last one year for consideration other than cash.

11. Split or consolidation of Equity Shares in the last one year

No split or consolidation of equity shares has been made in the last one year prior to filing of this Draft Letter of Offer.

SECTION II - RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Letter of Offer, including the risks and uncertainties described below, before making an investment in the Equity Shares. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. The risks described below are not the only ones relevant to us, our Equity Shares, the industry or the segment in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Issue. To obtain a complete understanding, you should read this section in conjunction with the sections "Industry Overview", "Our Business" and "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 68, 76 and 142 of this Draft Letter of Offer, respectively. The industry-related information disclosed in this section has been derived from publicly available information as well as industry publications and sources. Neither our Company, nor any other person connected with the Issue, has independently verified the information in the industry report or other publicly available information cited in this section.

This Draft Letter of Offer also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and, in the section titled "Forward-Looking Statements" on page 16 of this Draft Letter of Offer.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Restated Financial Information, prepared in accordance with Ind AS and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

Materiality:

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

- *Some events may not be material individually but may be found material collectively;*
- *Some events may have material impact qualitatively instead of quantitatively; and*
- *Some events may not be material at present but may have a material impact in future.*

The financial and other related implications of risks concerned, wherever quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.

In this Draft Letter of Offer, any discrepancies in any table between total and sums of the amount listed are due to rounding off.

In this section, unless the context requires otherwise, any reference to "we", "us" or "our" refers to Patel Integrated Logistics Limited.

The risk factors are classified as under for the sake of better clarity and increased understanding.

INTERNAL RISK FACTORS

BUSINESS RELATED RISKS

1. *The novel coronavirus (Covid-19) pandemic outbreak and steps taken to control the same have significantly impacted our business, results of operations, financial condition and cash flows and further*

impact will depend on future developments, which are highly uncertain.

The rapid and diffused spread of COVID-19 and global health concerns relating to this outbreak have had a severe negative impact on all businesses, including the logistics and air-freight sector in which our Company operates and from where it derives substantial revenues and profits. The COVID-19 pandemic could continue to have an impact that may worsen for an unknown period of time. Currently, there is substantial medical uncertainty regarding COVID-19 and till any vaccine or cure is found, this pandemic may continue to cause unprecedented economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe.

At this point of time, our Company cannot predict by when our Company's operation shall resume to normalcy, or at all. Further if in case due to any second or consequent wave of Coronavirus, if another lockdown is imposed in the country, we may face huge losses and our business operations could be severely impacted. Any such interruptions or disruptions could cause delays in the delivery of our clients' consignments to their destination, or cause damage to the transported goods. Any of these consequences may result in claims for compensation from our clients. Moreover, if the goods to be delivered have a short shelf life, any delay in the delivery of such goods could also expose us to additional losses and claims.

2. *There are outstanding litigations involving our Company which, if determined against us, may adversely affect our business and financial condition.*

As on the date of this Draft Letter of Offer, our Company is involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and/or severally from us and/or other parties, as the case may be. We cannot assure you that these legal proceedings will be decided in favour of our Company, or that no further liability will arise out of these proceedings. We may incur significant expenses in such legal proceedings and we may have to make provisions in our financial statements, which could increase our expenses and liabilities. Any adverse decision may adversely affect our business, results of operations and financial condition.

A summary of the pending tax proceedings and other material litigations involving our Company is provided below:

iii) Cases filed against our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Criminal matters	02	12.30
Direct Tax matters	-	-
Indirect Tax matters	-	-
Actions taken by regulatory authorities	-	-
Material civil litigations	03	231.18

**To the extent quantifiable*

iv) Cases filed by our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Criminal matters	08	44.1
Direct Tax matters	-	-
Indirect Tax matters	-	-
Actions taken by regulatory authorities	-	-
Material civil litigations	02	780.27

**To the extent quantifiable*

There are two (02) insolvency petitions filed against our Company under section 9 of the Insolvency and Bankruptcy Code, 2016, which are currently pending before the Hon'ble National Company Law Tribunal at Mumbai ("NCLT"). In the event, an adverse order is passed against us or if we are asked to pay the disputed amounts (₹ 102.01 lacs) which are allegedly due, our business operations could materially be impacted. Further, we may also have to file an appeal which could strain our resources and be time consuming and we cannot assure you that the outcome would be in our favour. Any adverse order in these

proceedings could materially impact our business, results of operations and financial condition. For further details, please refer to the chapter titled “*Outstanding Litigation and Material Developments*” on page 164 of this Draft Letter of Offer.

3. *Our agreements with lenders for financial arrangements contain restrictive covenants for certain activities and if we are unable to get their approval, it might restrict our scope of activities and impede our growth plans. Further, we are yet to obtain consents/ no objection certificate from certain lenders of our Company for the Issue.*

Our Company has entered into agreements for our borrowings with certain lenders. These borrowings include secured fund based and non-fund based facilities. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as change in capital structure (including this present proposed Rights Issue), formulation of any scheme of amalgamation or reconstruction, declaring dividends, further expansion of business, granting loans to directors, repaying secured loan and unsecured loans, undertake guarantee obligations, which require our Company to obtain prior approval of the lenders for any of the above activities. We have applied to all the relevant lenders for consent/no objection certificate to undertake the Issue. As on date of this Draft Letter of Offer, we are yet to receive consent from HDFC Bank Limited, IndusInd Bank Limited, DCB Bank Limited and Saraswat Co-operative Bank. Our Company *vide* request letters dated December 18, 2020 has applied for consent of HDFC Bank Limited, IndusInd Bank Limited, DCB Bank Limited and Saraswat Co-operative Bank for the proposed Issue, however we have not been able to obtain the same. Our Company proposes to obtain such consent prior to filing the Letter of Offer with the Stock Exchanges. Our Company proposes to utilize an aggregate amount of ₹ 850 lakhs from the Net Proceeds of the Issue towards full or partial re-payment or prepayment borrowing of our Company. Undertaking the Issue without such consents constitutes a breach of covenant under the relevant financing documents, which entitles the respective lender to consider this Issue as an event of default under the loan agreements and they may call up the entire outstanding amount and make it payable forthwith at their discretion. We cannot provide any assurance that our lenders will not enforce their rights relating to our breach of financial covenants, or grant us waivers with respect to any such breaches. The occurrence of any of the events mentioned above can adversely affect our business, results of operations and financial condition.

We cannot assure you that our lenders will provide us with these approvals in the future. For details of these restrictive covenants, please refer to chapter titled — “*Financial Indebtedness*” on page 153 of this Draft Letter of Offer.

Some of our financing arrangements include covenants to maintain our total outside liabilities and total net worth up to a certain limit and certain other liquidity ratios. We cannot assure prospective investors that such covenants will not hinder our business development and growth in the future. A default under one of these financing agreements may also result in cross-defaults under other financing agreements and result in the outstanding amounts under such financing agreements becoming due and payable immediately. Defaults under one or more of our Company’s financing agreements may limit our flexibility in operating our business, which could have an adverse effect on our cash flows, business, results of operations and financial condition. For instance, on August 28, 2020, the pledge created by Central Bank on the Equity Shares held in the name of our deceased Promoter, Late. Areef Asgar Patel of 9,27,884 Equity Shares of our Company (representing 5.61% of the Equity Share Capital of our Company) was invoked, due to which the total shareholding of the promoter and promoter group reduced from 41.80% to 36.19% of the Equity Share Capital of our Company. We cannot assure you that any such instance shall not take place again. For details of the events of default and the actions which can be taken by the banks on occurrence of such events, please refer to “*Events of Default*” and “*Consequences of default*” in the chapter titled “*Financial Indebtedness*” on page 153 of this Draft Letter of Offer. It may be possible for a lender to assert that we have not complied with all applicable terms under our existing financing documents. Further we cannot assure that we will have adequate funds at all times to repay these credit facilities and may also be subject to demands for the payment of penal interest.

4. *The majority of Issue proceeds will be utilized by our Company for part- repayment or prepayment of loans availed by our Company.*

The main object of this Issue is to repay and/or prepay a portion of the principal and/or interest of certain borrowings availed by our Company amounting to ₹ 850 lakhs. As on September 30, 2020, we have outstanding secured loans aggregating to ₹ 6,653.93 lakhs. As on date we have not identified borrowing

which we intend to pre-pay. The selection and extent of loans proposed to be repaid from our Company's loans will be based on various factors such as, commercial considerations including, among others, the costs, expenses and charges relating to the facility including interest rate of the relevant loan, the amount of the loan outstanding, the remaining tenor of the loan, presence of onerous terms and conditions under the facility, etc. For further details on the repayment of secured loans availed from lenders, see "*Objects of the Issue*" beginning on page 61 of this Draft Letter of Offer. For further details, please see the chapter titled "*Objects of the Issue*" beginning on page 61 of this Draft Letter of Offer.

- 5. Our clients operate in various industry segments/verticals and fluctuations in the performance of the industries in which our clients operate may result in a loss of clients, a decrease in the volume of work we undertake or the price at which we offer our services. This can further lead to dependency on a limited number of clients, which may expose us to a high risk of client concentration.***

Our Company is engaged in the business of providing logistics services and unified solutions focusing on air transportation as well as ancillary services such as courier services and warehousing. For the FY ended March 31, 2020, our top ten customers contributed 33.89% and our top five customers contributed 25.89% towards our revenue from operations, respectively. Our business operations are highly dependent on our customers and the loss of any of our customers from any industry which we cater to may adversely affect our sales and consequently on our business and results of operations.

While we typically have long term relationships with our customers, as an industry practice, we do not enter into long term agreements with most of our customers and the success of our business is accordingly significantly dependent on us maintaining good relationships with our customers. The actual revenue earned by our Company may differ from the estimates of our management due to the absence of long term agreements. The loss of one or more of these significant or key customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future.

A decline in our clients' business performance may lead to a corresponding decrease in demand for our services. Furthermore, the volume of work performed for these clients may vary from time to time and we may not be the exclusive external logistics service provider for our clients. Our service contracts are generally subject to periodic renewal and related negotiations with respect to the clients with whom formal contracts have been executed by our Company. Our reliance on a select group of clients may also constrain our ability to negotiate these agreements. We are also exposed to fluctuations in the performance of the industries in which our significant clients operate. For instance, we depend on the performance of the automotive, consumer goods, pharmaceutical, ecommerce, bulk industries etc. for our business. Since, we are also engaged in the business of warehousing the performance of our clients and the industries in which they operate plays an important role in the success of our business.

Our clients may also decide to reduce spending on services due to a changing economic environment and other factors relating to the industry in which they operate. For instance, in this period of pandemic wherein all the industries are facing a slowdown and cash crunch due to the lockdown and travel restrictions imposed by several State Governments has resultant in a widespread impact on the logistics industry. In view of the present situation, a number of our clients have halted their business operations which could prompt them to cease using our services, thereby resulting in loss of our market share. A loss of any of our significant clientele, a decrease in the volume of work our clients outsource to us or a decline in our prices may materially and adversely affect our business, operations, financial condition, results of operations and prospects.

- 6. We depend on our intermediaries such as cargo carriers, branch offices, etc. for carrying out our business operations, and termination of our contracts or arrangements with any of these intermediaries may adversely affect our business and results of operations.***

We are engaged in the business of providing logistics services and unified solutions focusing on air transportation as well as ancillary services such as courier services and warehousing. We operate our business through a pan-India network comprising 24 branch offices and presence across India covering major cities/towns/airports. The intermediaries form an integral part of our business operations and help us in efficiently providing our services. Expenses incurred towards the services provided by one of the major

service suppliers of our Company accounted for 44.24% towards our operating expenses incurred in the FY ended March 31, 2020.

Our intermediaries account for a substantial portion of our business operations and consequently our revenue and we expect that such key intermediaries will continue to be associated with us in the foreseeable future. Although, we have entered into formal agreements with some of our intermediaries, however we cannot assure you that either of the parties will not terminate such agreement or breach any covenant of such agreements. Periodically we may have to discontinue business with certain intermediaries, for reasons including delay in cargo supply or faulty courier services, among others. Our ability to terminate our arrangements with certain intermediaries may be limited by the terms of our agreements with them. We may need to litigate the intermediaries or litigations may be filed against us for any breach or termination of the contract, such litigation could be time consuming and costly and the outcome cannot be guaranteed. Further, the term of the contracts entered by our Company with our intermediaries can be terminated by providing a short notice period and without providing any compensation for termination of contracts.

We cannot assure you that we will be able to maintain amicable relations with our intermediary or continue to renew the arrangements with these third parties on terms that are commercially acceptable to us, or at all. We cannot assure you that such third parties shall fulfil their obligations under such agreements entirely, or at all, shall not breach certain terms of their arrangements with us, including with respect to payment obligations, or shall not choose to terminate their arrangements with our Company. Such conflicts and non-renewal of such contracts may lead to loss of our key intermediaries thereby adversely affecting our business and results of operations.

7. *We operate in a highly fragmented and competitive industry and increased competition may lead to a reduction in our revenues, reduced profit margins or a loss of market share.*

We operate in a highly competitive industry, dominated by a large number of unorganized players. Many segments within the logistics industry are highly commoditized and have low barriers to entry or exit, leading to a market with a very high degree of fragmentation. Increased competition from other organized and unorganized third-party logistics providers may lead to a reduction in our revenues, reduced profit margins or a loss of market share.

Our success depends on our ability to anticipate, understand and address the preferences of our existing and prospective clients as well as to understand evolving industry trends and our failure to adequately do so could adversely affect our business. Further, if our level of service deteriorates, or if we are unable to provide our services in a timely, reliable, safe and secure manner, our reputation and business may suffer. Our competitors may successfully attract our clients by matching or exceeding what we offer. Among other things, our competitors may:

- expand their transportation network or increase the frequency in their existing routes;
- reduce, or offer discounts on, their prices; while we may respond by matching their prices or by increasing our advertising and promotions, this may increase our costs and limit our ability to maintain our operating margins or growth rate; or
- benefit from greater economies of scale if they are larger than us and operating efficiencies such as a broader logistics network, a wider range of services, larger brand recognition or greater financial resources than we do, and may be able to devote greater resources to pricing and promotional programs.

In areas of business or verticals where we are a new entrant such as warehousing services, we may be unable to compete effectively with our competitors, some of whom may have more experience. Other factors that could affect our ability to maintain our levels of revenues and profitability include the development of an operational model similar or superior to ours by a competitor or the entry of global logistics companies in the client segments where we operate. Our inability to compete effectively could affect our ability to retain our existing clients or attract new clients which may in turn materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.

8. *Our Company has recently sold its surface transport business carried out under its Patel Roadways Division. As per the business transfer agreement dated June 28, 2019 and the non-compete clause therein, our Company shall not conduct business relating to surface transport until January 01, 2022.*

Our Company until 2019 had been engaged in the business of providing unified logistic solutions through road/surface and sea transportation, including premium door to door Express Cargo Service. In FY 2019-20, our Company executed a business transfer agreement dated June 28, 2019 with Innovative Logistics Service Private Limited, a wholly owned subsidiary of Stellar Value Chain Solutions Private Limited and sold its surface transport business, on a going concern basis by way of a slump sale, together with assets, liabilities, contracts, rights, obligations, employees relating to the said undertaking to Innovative Logistics Service Private Limited for a lump sum consideration of ₹ 3,850 lakhs. As per the said agreement, our Company under a non-compete clause, has been barred from entering into the surface transport business for a period of thirty (30) months from July 01, 2019. Until the said agreement was finalised and executed, in FY 2018, surface transport business contributed ₹ 15,224.89 lacs, which was 35.94% of the total revenue from operations. In FY 2019 the surface transport business contributed ₹ 12,564.70 lacs, which was 28.06% of the total revenue from operations and for FY 2020 the amount was ₹ 2,947.21 lacs, which was 8.48% of the total revenue from operations. Our Company cannot guarantee that such loss of revenue and consequent profits shall be realised from other business verticals that our Company focusses on.

While our Company does not intend to cause a breach of the non-compete clause, we may be litigated as per the business transfer agreement in case we inadvertently pursue the surface transport business before the expiry of such non-compete period. Such litigations could be time consuming and the outcome of such litigations may not always be in our favor and we may also be exposed to the risk of losing our goodwill. As a result our business, financial condition, results of operations and prospects could be materially and adversely affected.

9. *Our business is highly dependent on technology and any disruption or failure of our technology systems may affect our operations.*

We believe that our technological capabilities play a key role in helping us effectively manage our pan-India operations, maintain operational and fiscal controls, and support our efforts to enhance client service levels. Our business is significantly dependent on the efficient and uninterrupted operation of our technology infrastructure and systems such as our transportation management system and our warehouse management system. Our operations are vulnerable to interruption by events beyond our control such as fire, earthquake, power loss, telecommunications or internet failures, terrorist attacks and computer viruses. We are also subject to hacking or other attacks on our IT systems and we cannot assure you that we will be able to successfully block or prevent all such attacks. Any breaches of our IT systems may require us to incur further expenditure on repairs or more advanced security systems. A significant system failure could adversely affect our ability to manage overall operations, thereby affecting our ability to deliver our services to our clients, affecting our reputation and revenues.

We may also be exposed to multiple claims for failed delivery of goods. If such interruption is prolonged, our business, operations, financial condition and results of operations may be materially and adversely affected. We expect our clients to continue to demand more sophisticated and customized solutions. We may lose clients and our business could be affected if we fail to implement and maintain our technology systems or fail to upgrade or replace our technology systems to handle increased volumes, meet the demands of our clients and protect against disruptions of our operations. Our operating efficiency may decline and our growth may suffer if our technology systems are unable to handle additional volume of our operations as we grow. Some of our existing technologies and processes in the business may become obsolete or perform less efficiently compared to newer and better technologies and processes in the future. Certain of our competitors may have access to similar or superior technology or may have better adapted themselves to technological changes. The logistics industry could also experience unexpected disruptions from technology-based start-ups. The cost of upgrading or implementing new technologies, upgrading our equipment or expanding their capacity could be significant and could adversely affect our business, operations, financial condition and results of operations.

10. *We are susceptible to risks relating to compliance with labor laws.*

We outsource a portion of our operations to independent contractors for specific services, therefore for certain operations and services, we or our independent contractors engage contract labour. Engagement of such labour is regulated by applicable labour laws in India and we may be held responsible in the event of any default by the independent contractor engaged by us in making payment of wages or providing benefits such as payment of, or contribution to, provident fund. Our dependence on such contract labour may result in significant risks for our business operations, relating to the availability and skill of such contract labourers, as well as contingencies affecting availability of such contract laborers during peak periods. There can be no

assurance that we will have adequate access to skilled workmen at reasonable rates. In addition to the above, in view of the ongoing pandemic and the lockdown which was imposed by several State and Central Governments, there is an acute shortage of unskilled laborers, since most of the unskilled workers have returned to their native places due to the widening income gap and lack of adequate resources to sustain their livelihood. In the event, we are unable to source adequate numbers of unskilled laborers or if we are exposed to an increased expense due to the surge in the wages of unskilled laborers we cannot assure you that it will not impact our business operations and financial condition. Due to the increase in the wages charged by the laborers, we may have to increase the cost of our services which would directly impact our customers.

While the Indian labour laws do not make service recipients liable for the wages or benefits of the personnel engaged by independent contractors, such arrangements may be reviewed *suo motu* by regulators or on a request from labour from time to time. Any adverse decision by a regulatory body or court requiring us to fund such payments or employ such contract labour may materially and adversely affect our business, operating margins, results of operations and cash flows. Furthermore, amendments to labour laws could adversely affect our business, operating costs and margins. For instance, with the advent of Labour Code, 2020 and Code of Wages, 2020 the Indian labour laws have undergone an amendment. In the event the new labour laws and regulations requires us to increase payment of employee benefits, avail new licenses and approvals, etc. we cannot assure you that we will be able to recover such increased labour and compliance costs from our clients, which may adversely affect our business, operations, operating margins, results of operations and cash flows. Due to the change in the labour laws, we may have to allocate an additional amount from our revenue towards our compliance cost which could increase our expenses and impact our financial results. Further, in the event we are unable to comply with the new laws and regulations in an effective manner, we may be subject to regulatory action from a regulatory body or court which may adverse effect on our business, results of operations and financial condition. In the event such situation occurs, we may get involved in litigations or other proceedings, or be held liable in any litigation or proceedings, incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our business operations, any of which could adversely affect our business and results of operations. Further, even though we comply with the law and obtain all necessary approvals as required under the amended statutes there can be no assurance that we may continue to hold such permits, licenses or approvals. In the event of cancellation or non-renewal of our approvals it may cause an interruption of our operations and may adversely affect our business, financial condition and future results of operations.

11. Our contracts with our clients are generally time bound and contain termination provisions. Our business may be adversely affected if our contracts with our clients are not renewed within the anticipated timeframe, or at all. We may also incur losses as a result of excess capacity at our logistics facilities if contracts are not renewed as anticipated.

We have not executed formal agreements with a majority of our clients. However, the clients with whom a formal contract has been executed can be terminated by them with or without cause, by giving short notice and without compensation and our business may be adversely affected if such contracts with our clients are terminated. Our inability to secure new contracts to offset the loss of these contracts or our inability to accurately forecast the renewal of client contracts may create uncertainties with respect of our revenues and earnings from our client contracts, any of which may in turn materially and adversely affect our business, financial condition and results of operations.

Further, we are typically required to provide warehousing capacity for our integrated logistics clients. In order to meet such client requirements, we may lease or license properties from third parties for operating our warehouses and other logistics facilities. We maintain or increase these logistics facilities on the basis of actual demand or our projections of future demand, which may involve uncertainties. In the event our clients decide to terminate, or not renew, their formal or informal contracts with us and we are not able to use or sell our excess capacity, our business, operations, financial condition and results of operations may be materially and adversely affected.

12. Our failure to perform in accordance with the standards prescribed in our client contracts could result in loss of business or payment of liquidated damages.

The formal agreements executed by us with our clients and intermediaries require us to comply with the code of conduct and rules and regulations prescribed by our clients, which may increase our compliance costs. For instance, as per our cargo sales agreements executed with the domestic air carriers, we are bound to ensure that the cargo being booked for carriage does not contain dangerous goods, in the event we breach

this clause, we may be subject to penalties or be suspended from booking any cargo for carriage with air carrier. In the event we are unable to effectively comply with our contractual obligations or address the quality requirement set by our clients or intermediaries, we may face suspension from using the services of our cargo carriers which may lead to capacity constraints, as a result of which our clients may experience service shortfalls. We may also be required to pay compensation or liquidated damages to our clients. In certain instances, we may also be required to bear consequential liability. Certain contracts may also require us to provide indemnities to our clients with respect of any negligent act or omission by or misconduct of our employees. In the event there is an increase in claims against us for which we are not insured, our business, financial condition and results of operations may be adversely affected. Such quality lapses could strain our relationship with our clients and our reputation and brand image may suffer, which in turn may adversely affect our business, results of operations and financial condition.

Any disruptions to our businesses, including as a result of actions outside of our control, could significantly impact our ability to meet the quality or performance standards which may in-turn harm our reputation. Such quality lapses could strain our relationship with our clients and our reputation and brand image may suffer, which in turn may adversely affect our business, results of operations and financial condition. Our clients may lose faith in the quality of our services and could in turn refuse to further deal with us, which could have a severe impact on our revenue and business operations. We also face the risk of legal proceedings and service liability claims being brought against us by our customers or intermediaries for defective services provided. There have been instances in the past, wherein our clients have filed litigations against us for providing services which are below their expected quality standards. For further details, please refer to the section titled “*Legal and Other Information*” at page 164 of this Draft Letter of Offer. In such an event, we may be subject to increase number of litigations, which could be time consuming and the outcome of such litigations may not always be in our favor. We may need to allocate additional resources and funds from our revenue towards litigation costs, which could materially impact our business operations. We cannot assure you that we will not experience any material liability losses in the future or that we will not incur significant costs to defend any such claims. Liability claim may adversely affect our reputation and brand image, as well as entail significant costs thereby impacting our business, results of operations and financial condition.

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

We are exposed to counterparty credit risk in the usual course of our business dealings with our clients or other counterparties who may delay or fail to make payments or perform their other contractual obligations. For the Fiscal ending March 31, 2020, 2019 and 2018 our trade receivables were ₹ 8,875.68 lakhs, ₹ 9,936.73 lakhs and ₹ 10,291.35 lakhs, respectively.

The financial condition of our clients and other counterparties may be affected by the performance of their business which may be impacted by several factors including general economic conditions. For instance, the on-going pandemic has led to a slowdown in the economy which have directly or indirectly impacted the industries in which our clients function. Due to the current scenario, we might be exposed to an increased risk of payment delays and/or defaults of payments. Such delays in payments may require our Company to make a working capital investment. We cannot assure you that payments from all or any of our clients will be received in a timely manner or to that extent will be received at all. If any of our clients default in making its payments, or if an order in which our Company has invested significant resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our Company’s results of operations and financial condition. For the Fiscal ending March 31, 2020, 2019 and 2018 we have written off bad debts to the tune of ₹ 1,157.51 lakhs, ₹ 64.08 lakhs and ₹ 72 lakhs, respectively.

The credit period offered by our intermediaries or suppliers is generally lesser than what we generally grant our clients. The longer credit period granted to our clients compared to that offered by our suppliers may potentially result in certain cash flow mismatches. We cannot assure you that we will not experience any significant cash flow mismatches in the future or that our cash flow management measures will function properly, or at all. If we fail to properly manage the possible cash flow mismatches, our financial condition, results of operations and cash flows could be materially and adversely affected.

14. *We have incurred losses in the recent past. Continuous financial losses incurred by us may be perceived adversely by external parties such as clients and bankers, which may affect our reputation, business, financial condition and results of operation.*

Our Company has incurred losses in the recent past, attributable largely to the COVID 19 pandemic and its consequent nationwide lockdown, the details of which are provided below:

(₹ in lacs)	
Particulars	June 30, 2020
Loss incurred during the three months period ended June 30, 2020	90.71

There can be no assurance that we will not incur losses in any future periods, or that there will not be an adverse effect on our reputation or business as a result of such losses. Such losses incurred by us may be perceived adversely by external parties such as customers, bankers, and suppliers, which may affect our reputation.

- 15. Our Company has experienced negative cash flow in the past and may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.**

Our Company has experienced negative net cash flow in operating, investing and financing activities in the past, the details of which are provided below:

(₹ in lacs)			
Particulars	March 31, 2020	March 31, 2019	March 31, 2018
Net Cash Flow from/(used in) Operating Activities	(1,776.75)	(274.14)	576.07
Net cash generated from/(used in) investing activities	4,010.61	63.36	(1,145.69)
Net Cash Flow from/(used in) Financing Activities	(1,751.16)	(736.07)	397.31

We may incur negative cash flows in the future which may have a material adverse effect on our business, prospects, results of operations and financial condition.

- 16. Any disruptions which affect our ability to utilize our transportation network in an uninterrupted manner could result in delays, additional costs or a loss of reputation or profitability.**

With a significant portion of the goods in India being transported by road, air, water and rail, our business operations are dependent on the steady functioning of all transport forms, particularly the airline industry and road network in India. Certain factors which could adversely affect road transport and result in delays, additional costs or unreliability include bad weather conditions, natural calamities, time-consuming and complex inter-state travel, political unrest, regional disturbances, fatigue or improper conduct of drivers, accidents and third-party negligence. Our cargo transported through air transport could suffer delays and additional costs due to *inter alia* personnel strikes, advent of regressive policy or regulatory framework, increased costs of cargo booking, mishandling of cargo by personnel, etc. We cannot assure you that these factors and conditions will not affect our supply chain and logistics schedules, including last-mile connectivity, or our ability to operate without disruption. Furthermore, in the current scenario, where we have limited access to road and air transportation due to travel restrictions imposed by central and various state governments in light of the Coronavirus pandemic, our business operations may suffer a huge impact due to disruptions of our services and inability to utilise the transportation network. In case we are struck by a second wave of Coronavirus and if another lockdown is imposed in the country, we may face huge losses and our business operations could be severely impacted.

Any prolonged or significant downtime of, or damage to, our transport vehicles or third-party transport vehicles or other related equipment may cause disruptions to our operations. If any of these risks materialize, our business, operations, financial condition and results of operations may be materially and adversely affected.

- 17. We depend on third party suppliers for the adequate and timely supply of assets necessary for our operations such as aircrafts, vehicles and related equipment. Any shortage of assets for use in our business may also result in additional costs. Further, we may not be able to pass on any increase in costs levied by our third party suppliers to our clients.**

The assets necessary for our operations such as cargo aircrafts, vehicles and moving equipment, warehouses and manpower are leased from third parties or owned. We cannot assure you that we will continue to receive an uninterrupted supply these assets to us in a timely manner or in quantities or prices that are commercially

acceptable to us, or at all. Events beyond our control may also affect the cost or availability of transport assets or related equipment. We may be required to make significant expenditure and investments in the event of changes in applicable laws and regulations, particularly any changes which impact the assets we operate for our businesses. Hiring additional ad-hoc third-party transport assets also significantly increases our operational expenses, which could adversely affect our cost structure and in turn our profitability. In addition, availability of third-party transport assets may be uncertain during periods of high demand. In addition, we may not have any control over the servicing and maintenance of these transport assets. Any non-availability or delays in obtaining transport assets or breakdowns, on-road repairs or service interruptions may result in loss of orders or delays in delivery of goods, any of which could lead to client dissatisfaction and loss of business. In addition, as we are expanding our business into other geographical locations in India, there may be a shortage of business partners that meet our quality standards and other selection criteria and, as a result, we may not be able to engage a sufficient number of high-quality business partners in a timely manner. If any of the foregoing risks materialize, our business, operations, reputation, financial condition and results of operations may be adversely affected.

Further, we have not entered into any long term agreements with our suppliers for supply of the transport assets required by us for steady functioning of our business operations, therefore the costs of hiring such assets are generally based on mutual terms and the prevailing market price. In the absence of such agreements, we cannot assure that these third party agencies would fulfill their obligations or would not commit a breach of the understanding with us. In the event that our cargo suffer damage or are lost during transit, we may not able to prosecute the agencies due to lack of formal agreements. Further, the third party suppliers are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms or prices, which may cause them to cater to our competitors alongside us or on a priority basis, which could adversely affect our business, results of operations and financial condition.

We typically pass on the charges we receive from our third-party suppliers to our clients in the pricing of services we offer. However, we may not be able to immediately pass on any short-term increases in these charges to our clients until we negotiate the renewal terms of our informal arrangements or formal contracts with our clients. For example, the GoI has deregulated fuel prices in India. As a result, oil marketing companies are now able to decide on the prices of fuel and the fuel prices will be pegged to international crude oil prices on a daily basis. The cost of fuel has fluctuated significantly in recent periods due to various factors beyond our control, including international prices of crude oil and petroleum products, global and regional demand and supply conditions, geopolitical uncertainties, import cost of crude oil, government policies and regulations and the availability of alternative fuels. The Coronavirus pandemic has also contributed to fluctuations in the fuel prices all over the world. Fluctuations in fuel prices may increase volatility in charges we receive from our third-party suppliers. We may be susceptible to indirect costs if our suppliers decide to impose these additional costs on us in the interim period. Similarly, any fluctuations in the performance of the industries in which our clients operate or in the event of an economic slowdown in India, our clients may negotiate the prices at which we offer our services to them and we may not be able to pass on any decrease in our prices to our third-party suppliers. For instance, during this on-going pandemic, the demand of our services has declined due to travel restrictions imposed all over the country, therefore we may not be able to quote higher prices or pass on the increased costs charged by our third-party suppliers. In the event, we do increase the cost of our services, disagreements on such costs may lead to a loss of clients. We cannot assure you that we will be able to pass on any such increases in the future to our clients, either wholly or in part. If we suffer any long-term increase in costs, our inability to pass on such increases in costs to our clients may adversely affect our operating margins and consequentially, business, financial condition and results of operations.

18. ***We may not be able to acquire warehouses and other logistics facilities in desirable locations that are suitable for our expansion at commercially reasonable prices and our expansion plans may be delayed or affected by various factors.***

We also have recently acquired a parcel of land in Chennai for developing a warehouse facility. The growth and success of our warehousing business significantly depend on our ability to lease or otherwise obtain rights to use warehouses and other logistics facilities at locations that are suitable for our warehousing operations and at commercially reasonable prices. In particular, the success of our warehousing facility depends significantly on the infrastructure support in the surrounding area such as access to public roads, highways, ports and airports. Also see “*Our Business—Business Strategy— Continue to establish new warehouses*” on page 78 of this Draft Letter of Offer.

Our ability to obtain rights to use and/or develop warehouses and other logistics facilities depends on a variety of factors that are beyond our control such as overall economic conditions, the availability of warehouses and logistics facilities, our ability to identify such properties and competition for such properties. In addition, properties in convenient locations or supported by quality infrastructure, including trained/skilled manpower, uninterrupted power, access to major arterial road networks etc. may command a premium, which may exceed our budget. The expansion of our warehouses and other logistics facilities may be adversely affected by certain other factors, including, but not limited to; delays in construction or improvements due to factors beyond our control; inability to obtain all necessary regulatory licenses, permits, approvals and authorizations; significant pre-operating costs or capital improvements, work stoppages, strikes or accidents; and inability to invest in equipment, manpower and related assets at our existing and proposed warehouses that are suitable for our expansion at commercially reasonable prices.

To the extent that we are unable to obtain rights to use or lease suitable warehouses and logistics facilities within the anticipated time frame or at commercially acceptable prices, our business, financial condition, results of operations and prospects may be materially and adversely affected.

19. Our multi-location operations are subject to various statutory, legal and regulatory risks. We are also susceptible to risks relating to interruptions and disruptions at our logistics and warehousing facilities.

Our Company operates its business through a pan-India network comprising of 24 branch offices and also has a presence across India covering major cities/towns/airports. Our future revenue growth depends upon the successful operation of our operating locations and warehouses, the efficiency of our delivery systems and the successful management of our marketing, and support and service teams through direct and indirect channels in various states across India where our existing or potential clients are located. The expansion of our business may require that we establish new offices and warehouses and manage businesses in widely disparate states with different statutory, legal and regulatory framework. In addition, we may be affected by various factors inherent in carrying out business operations in several states in India, such as: coordinating and managing operations in several locations, including different political, economic and business conditions and labor laws and associated uncertainties; exposure to different legal standards and enforcement mechanisms and compliance with regulations; and difficulties in staffing and managing operations, including coordinating and interacting with our local representatives and business partners to fully understand local business and regulatory requirements. Any of these factors, alone or in combination, could materially and adversely affect our business, results of operations and financial condition and prospects.

We are also susceptible to risks relating to interruptions and disruptions at our logistics and warehousing facilities. The operations at our various logistics and warehousing facilities are also subject to various operating risks such as the breakdown or failure of equipment, power supply or processes, natural disasters and accidents. Any interruption of our operations at our various logistics and warehousing facilities could significantly reduce our ability to manage and carry out our business operations. If prolonged, such interruption could impact our ability to service our clients and our business, financial condition and results of operations may be materially and adversely affected.

20. Our business strategies and expansion plans may be subject to various unfamiliar risks and may not be successful.

Our business strategies include widening our customer base by entering into new geographies and strengthening our relationships with our existing clients. For further details, see “*Our Business—Business Strategy*” on page 78. These strategies require us to expand our operations to other geographical areas and in new industry verticals. Risks that we may face in implementing our business strategy in these markets may substantially differ from those previously experienced, thereby exposing us to risks related to new markets, industry verticals and clients. The commencement of operations beyond our current markets and industry verticals is subject to various risks including unfamiliarity with pricing dynamics, competition, service and operational issues as well as our ability to retain key management and employees. There can also be no assurance that we will not experience issues such as capital constraints, difficulties in expanding our existing operations and challenges in training an increasing number of personnel to manage and operate our expanded business, or that we will be able to successfully manage the impact of our growth on our operational and managerial resources and control systems. We may not be able to successfully manage some or all of the risks associated with such an expansion into new geographical areas and new industry verticals, which may place us at a competitive disadvantage, limit our growth opportunities and materially and adversely affect our business, results of operations and financial condition.

We cannot guarantee that our business in these new geographical areas will continue to perform in a manner consistent with its performance in prior periods and existing areas where we function. Going forward, we plan to make further investments or undertake transactions to enhance our operations and technological capabilities in the markets where we currently operate. However, it is possible that we may not be able to identify suitable investment opportunities in the future and if we do identify suitable opportunities, we cannot assure you that we will be able to achieve the strategic purpose of these investments and generate the expected benefits. Our management's attention and resources may also be diverted from our operations as a result of these investment transactions. If any of the foregoing risks materialize, it could adversely affect our business, financial condition, results of operations and prospects.

21. *Misconduct or errors by manpower engaged by us could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.*

Misconduct or errors by manpower engaged by us could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such misconduct includes breach of security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent 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. Consequently, our ability to control the workplace environment in such circumstances is limited. The risks associated with the deployment of manpower engaged by us across several locations include, among others, possible claims relating to; actions or inactions, including matters for which we may have to indemnify our clients; our failure to adequately verify personnel backgrounds and qualifications resulting in deficient services; failure of manpower engaged by us to adequately perform their duties or absenteeism; errors or malicious acts or violation of security, privacy, health and safety regulations; and damage to our clients' facilities or property due to negligence or criminal acts.

These claims may give rise to litigation and claims for damages, which could be time-consuming. These claims may also result in negative publicity and adversely impact our reputation and brand name. Further, we may be forced to indemnify our clients against losses or damages suffered by our clients as a result of negligent acts of manpower engaged by us. We may also be affected in our operations by the acts of third parties, including sub-contractors and service providers. Any claims and proceedings for alleged negligence as well as regulatory actions may in turn materially and adversely affect our brand and our reputation, and consequently, our business, financial condition, results of operations and prospects.

22. *We may face claims relating to loss or damage to cargo, personal injury claims or other operating risks that are not adequately insured.*

Our business is subject to various risks inherent in the logistics industry, including potential liability to our clients which could result from, among other circumstances, personal injury to passengers or damage to property arising from accidents or incidents involving vehicles operated by us. In the normal course of business, we may be exposed to claims from our clients arising from theft, damage or loss of the materials. There have been instances in past, wherein we are accused of not efficiently delivering the materials or negligently handling the goods, for further details, please refer to the section titled "*Legal and Other Information*" at page 164. We may, in certain circumstances, be required to compensate our clients in the event of any damage or loss of goods transported by us. Air and road transport services involve many risks and hazards, including mechanical breakdowns; however, insurance cover may be expensive, or may not be available, for certain of these risks. We may become subject to liability for hazards which we cannot, or may not elect to, insure because of high premium costs or other reasons, or for occurrences which exceed maximum coverage under our policies.

While we maintain insurance coverage at levels and for risks that we believe are customary in the logistics industry in India, we cannot assure you that there will not be any claims relating to loss or damage to goods, personal injury claims or other operating risks that are not adequately insured. We cannot assure you that the terms of our insurance policies will be adequate to cover any such damage or loss suffered or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. Furthermore, any accident or incident involving vehicles operated by third party suppliers, even if these vehicles are fully insured or we are held not to be liable, could negatively affect our reputation among clients and the public, thereby making it more difficult for us to compete effectively, and could significantly affect the cost and

availability of insurance in the future. To the extent that any such uninsured risks materialize, our business, financial condition and results of operations may be materially and adversely affected.

23. *We do not verify the contents of the goods transported by us, thereby exposing us to the risks associated with the transportation of goods in violation of applicable regulations.*

We transport various goods as part of our business operations. While we obtain a declaration from the client regarding the contents of the parcel and its value, we do not independently verify its contents. We also do not have any equipment to enable us to verify all our consignments prior to loading such consignments on our vehicles. Accordingly, we are unable to guarantee that these parcels do not contain any hazardous or illegal goods. In such circumstances, our transport vehicles may be confiscated, which could in turn, adversely affect our business, operations and reputation. Furthermore, transporting dangerous or hazardous goods through air carriers could hamper our contractual relationship with various intermediaries who transport our cargo through air and we may be subject to penalties and could also be suspended from availing their services.

In addition, our business could involve movement of confidential documents and information, and unauthorized disclosure of such confidential and sensitive information may result in liability for us. Further, we are subject to a broad range of national, state and local safety laws and regulations. In the course of our operations, we may store, transport or arrange for the storage or transportation of substances defined as hazardous under applicable laws. If any damage or injury occurs as a result of our storage or transportation of hazardous, explosive or illegal materials, we may be subject to claims from third parties, and bear liability, for such damage or injury even if we were unaware of the presence of the hazardous, explosive or illegal materials, which could materially and adversely affect our business, operations, reputation, financial condition and results of operations.

24. *In the past, there have been instances of delays and non-filings of certain forms which were required to be filed as per the reporting requirements under the Companies Act, 2013 to RoC.*

In the past, there have been certain instances of delays in filing statutory forms as per the reporting requirements under the Companies Act, 2013 with the RoC, which have been subsequently filed by payment of an additional fee as specified by RoC. Further, there have been instances of non-filings of statutory forms with RoC as per the reporting requirements laid down under the Companies Act, 2013, such as *inter alia* Form CHG-1 for the loan availed by our Company from PNB Housing Finance Limited, Form MGT-14 for certain resolutions passed by our Board of Directors under Section 179 of the Companies Act, 2013, etc.. In addition to the above, our Company has not appointed an internal auditor under Section 138 of the Companies Act, 2013 for the financial year 2019-2020 and there have been instances in the past wherein the Audit Committee of our Board of Directors has rejected the internal audit reports of our internal auditor and has not taken note of the related party transactions and inter-corporate deposits availed or extended by our Company under Section 177 of the Companies Act, 2013.

No show cause notice in respect to the above has been received by our Company till date and except as stated in this Draft Letter of Offer, no penalty or fine has been imposed by any regulatory authority in respect to the same. It cannot be assured, that there will not be such instances in the future or our Company will not commit any further delays or defaults in relation to its reporting requirements, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. The happening of such event may cause a material effect on our results of operations and financial position.

25. *As the securities of our Company are listed on Stock Exchanges in India, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.*

The Equity Shares of our Company are listed on BSE, NSE and CSE therefore we are subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations. Our Company endeavours to comply with all such obligations/reporting requirements, however there have been instances in the past of non-disclosures/delayed/erroneous disclosures and violations of including but not limited to Regulation 23, Regulation 30, Regulation 42 and Regulation 47 of the SEBI Listing Regulations which might have been committed by us, and the same may result into Stock Exchanges and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and Rules and Regulations made there under and applicable SEBI Circulars. Any such adverse regulatory

action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

26. *Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.*

Our business requires a significant amount of working capital. Any delay in processing our payments by our customers may increase our working capital requirement. Further, if a customer defaults in making payment for the services provided by us, on which we have devoted significant resources, it could affect our profitability and liquidity and decrease the capital reserves that are otherwise available for other uses. We may file a claim for compensation of the loss that we incurred pursuant to such defaults but settlement of disputes generally takes time and financial and other resources, and the outcome is often uncertain. In general, we take provisions for bad debts, including those arising from such defaults based primarily on ageing and other factors such as special circumstances relating to special customers. There can be no assurance that such payments will be remitted by our clients to us on a timely basis or that we will be able to effectively manage the level of bad debt arising from defaults. All of these factors may result, or have resulted, in increase in the amount of receivables and short-term borrowings. Continued increase in working capital requirements may adversely affect our financial condition and results of operations. We may also have large cash flows, including among others, losses resulting from environmental liabilities, litigation costs, adverse political conditions, foreign exchange risks and liability claims. Moreover, we may require additional finance facility in the future to satisfy our working capital needs.

27. *Our Company does not have any documentary evidence for the educational qualifications of one of our Directors.*

Our Independent Director, Farukh Soli Wadia is unable to trace his educational qualifications. Due to lack of documents and relevant information from the aforementioned Independent Director, we have relied on an affidavit provided by him providing details of his educational qualifications which have been disclosed in his biography in the chapter titled “*Our Management*” as is required under the SEBI ICDR Regulations. For further details, please refer to the chapter titled “*Our Management*” on page 85 of this Draft Letter of Offer.

28. *Certain records of our Company are not traceable.*

We do not have access to certain records and filings pertaining to the litigations filed by our Company, loans availed by our Company from various financial institutions and property documents pertaining to the premises taken or given on lease by us. Further, the original property documents of our owned premises are in the possession of the banks from which we have availed secured loans, therefore we shall not be able to provide a copy of such property documents. Accordingly, we have relied on the confirmations, other documents, including submissions made to the Stock Exchanges, annual returns, directors’ report, the statutory register of members of the Company, minutes of the meetings of the Board of Directors and Shareholders while making the relevant disclosures. We cannot assure you that these records will be available in the future or that we will not be subject to any penalties imposed by the relevant regulatory authority in this respect.

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

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


In relation to certain of our facilities and operating locations, we are required to maintain and avail certain approvals and licenses. We cannot assure you that we will receive all the required certifications or that we will be able to maintain the validity of the quality certifications that have previously been awarded. Certain stockyards that we lease or license from third parties are subject to land-use restrictions, approvals and other conditions under applicable laws. Our lessors in most cases are required to comply with such restrictions and maintain requisite approvals. In the event, our lessors are unable to comply with such restrictions or apply for or obtain approvals, we may be required to discontinue our use of such stockyards and seek alternative

sites. Any inability of our lessors to comply with restrictions or apply for or obtain and maintain the requisite approvals under applicable law could disrupt our business and adversely affect our results of operations.

Further, government approvals and licenses are subject to numerous conditions, of which some may be onerous and may require us to undertake substantial compliance-related expenditure. In certain locations, regulatory authorities may exercise considerable discretion in matters of enforcement and interpretation of applicable laws, regulations and standards. The growth in size or scope of our business, expansion of our footprint in existing regions in which we operate and entry into new geographies will also expose us to regulatory regimes with which we have no prior direct experience and expansion into new areas could lead to our becoming subject to additional or different laws and regulations. Changes in laws and regulations, more stringent enforcement or alternative interpretation of existing laws and regulations in geographies in which we currently operate may make compliance with all applicable laws and regulations more challenging and could affect us adversely by tightening restrictions, reducing our freedom to do business, increasing our costs of doing business, or reducing our profitability.

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

30. *If our Company is unable to protect its intellectual property, or if our Company infringes on the intellectual property rights of others, our business may be adversely affected.*

Our Company's success largely depends on our brand name and brand image, therefore we have trademarked our logo differentiating our Company's services from that of our competitors. We deal under other brand names as well, which have also been trademarked by us to maintain a distinction and differentiation for our services. Our current trademark and logo  is owned by our Company under the provisions of the Trademarks Act, 1999. Our trademarks may be subject to counterfeiting or imitation which would adversely impact our reputation and lead to loss of customer confidence, reduced sales and higher administrative costs.

We are also exposed to the risk that other entities may pass off their services as ours by imitating our brand name. We believe that there may be other companies or vendors which operate in the unorganized segment using our tradename or brand names. Any such activities may harm the reputation of our brand and services provided by us, which could in turn adversely affect our financial performance. We rely on protections available under Indian law, which may not be adequate to prevent unauthorized use of our intellectual property by third parties. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving, and could involve substantial risks to us. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, cash flows and financial condition.

We cannot assure you that any third party will not misuse our brand name or logo. In such an event, we may have to prosecute such third parties which could be time consuming and the outcome of such litigations may not always be in our favor. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect its intellectual property, which could adversely affect our business, results of operations and financial condition. For further details, please refer to the chapter titled "*Our Business*" on pages 76 of this Draft Letter of Offer.

31. *Our growth and our financial results may be affected by factors affecting the logistics industry in India.*

Our financial results are influenced by the macroeconomic factors determining the growth of the Indian economy as a whole and the logistics sector in particular. The logistics sector is influenced by a growth in

disposable income. The demand for services is primarily dependent on the demand for logistical services in the economy.

Periods of slowdown in the economic growth of India has significantly affected the logistics sector in the recent past. Any further downturn in our industry and/or changes in governmental policies affecting the growth of this sector may have an adverse effect on the demand for our services which may have an adverse effect on our results of our operations. Especially, during the ongoing pandemic, the economy as a whole has withstood the worst impact of extended lockdown and reduction in the flow of income. Logistics sector industries may see a downside in the current situation and an adverse and direct impact could fall on our business operations, demand of our services, revenue and financial condition.

32. *Our Promoter, Directors and Key Managerial Personnel have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits.*

Our Promoter, Directors and Key Managerial Personnel, may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. For further details please refer to “*Restated Financial Information- Annexure V- Notes to Restated Financial Statements- Note 41- Related Party Disclosures*” on page 135 of this Draft Letter of Offer.

There can be no assurance that our Promoter, Directors, Key Management Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoter and members of our Promoter Group 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 of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Directors and our Key Management Personnel may take or block actions with respect to our business, which may conflict with the best interests of our Company or that of minority shareholders.

33. *Our Promoter and members of the Promoter Group have significant control over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.*

After the completion of the Issue, our Promoter and the members of the Promoter Group will hold approximately 36.19% of the paid-up equity share capital of our Company assuming full subscription to the Rights Entitlement in the Issue. Our Promoter and the members of the Promoter Group holding Equity Shares in our Company, have undertaken to fully subscribe for their Rights Entitlement. They reserve the right to subscribe for their Rights Entitlement pursuant to any renunciation made by any member of the Promoter Group to another member of the Promoter Group. Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding above their current percentage shareholding. So long as the Promoter has a majority holding, he will be able to elect the entire Board and control most matters affecting us, including the appointment and removal of the officers of our Company, our business strategy and policies and financing. Further, the extent of the Promoter’s shareholding in our Company may result in the delay or prevention of a change of management or control of our Company, even if such a transaction may be beneficial to the other shareholders of our Company.

34. *We have certain contingent liabilities and our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize.*

As of June 30, 2020, our contingent liabilities and commitments (to the extent not provided for) as disclosed in the notes to our Restated Financial Information aggregated to ₹ 4,214.24 lakhs. The details of our contingent liabilities are as follows:

Particulars	(₹ in lakhs)
Counter guarantees given to Banks against credit facilities	233.15
Counter guarantees given to Late Mr. Areef Patel, Executive Vice Chairman for guarantees provided by him against credit facilities and for which no monetary benefit has accrued to Late Mr. Areef Patel, Executive Vice Chairman.	3,365.00
Claims against the Company not acknowledged as debts	616.09
Total	4,214.24

For further details of contingent liability, see the section titled — “*Financial Information*” on page 98 of this Draft Letter of Offer. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

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

As of June 30, 2020, we have entered into several related party transactions with our Promoter, individuals and entities forming a part of our promoter group, our Directors and the entities in which they hold directorships. In addition, we have in the past also entered into transactions with other related parties. Our Company has entered into related party transactions for the three months period ended June 30, 2020 and the Fiscal ended March 31, 2020. For further details, please refer to the chapter titled — “*Restated Financial Information- Annexure V- Notes to Restated Financial Statements- Note 41- Related Party Disclosures*” at page 135.

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

36. *In addition to our existing indebtedness for our existing operations, we may incur further indebtedness during the course of business. We cannot assure that we would be able to service our existing and/ or additional indebtedness.*

As on June 30, 2020 our Company’s total fund based indebtedness is ₹ 6,428.53 lakhs. In addition to the indebtedness for our existing operations, we may incur further indebtedness during the course of our business. We cannot assure you that we will be able to obtain further loans at favorable terms. Increased borrowings, if any, may adversely affect our debt-equity ratio and our ability to borrow at competitive rates. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows.

Any failure to service our indebtedness or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an adverse effect on our business, financial condition and results of operations. For details of our indebtedness, please refer to the chapter titled — “*Financial Indebtedness*” on page 153 of this Draft Letter of Offer.

37. *Our Company has taken certain unsecured loans from financial institutions, which may be recalled at any time.*

As on June 30, 2020, our Company has outstanding unsecured loans aggregating to ₹ 1,349.24 lakhs, which have been extended by certain financial institutions and may be recalled by them at any time. In the event, any of such lenders seek a repayment of any these loans, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If we are unable to arrange for any such financing arrangements, we may not have adequate working capital to undertake new projects or complete our ongoing projects. Therefore, any such demand may adversely affect our business, financial condition and results of operations. For further details, see “*Financial Indebtedness*” on page 153 of this Draft Letter of Offer.

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

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing Shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may

substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

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

Our Company depends on the management skills and guidance of our Promoter and Directors for development of business strategies, monitoring its successful implementation and meeting future challenges. Further, we also significantly depend on the expertise, experience and continued efforts of our Key Managerial Personnel. Some of our employees have been associated with our Company since a long period of time and have been integral to the growth and in the success of our Company. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our Directors or Key Managerial Personnel are unable or unwilling to continue in his/ her present position, it could be difficult for us to find a suitable or timely replacement and our business could be adversely affected. There is significant competition for management and other skilled personnel in the industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not offer better compensation packages and incentives to such Key Managerial Personnel. In the event we are not able to attract and retain talented employees, as required for conducting our business, or we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition and operations may be adversely affected. For further details on our Directors and Key Managerial Personnel, please refer to the chapter titled — “*Our Management*” on page 85 of this Draft Letter of Offer.

40. *Our operations can be adversely affected in case of accidents during the course of transit.*

With a significant portion of the goods in India being transported by means of road, rail, air and water transport, our business operations are dependent on the functioning of transport networks in India. The transport assets used during such transport can be involved in accidents due to fatigue or improper handling or third-party negligence. Such accidents could lead to death or disablement of the drivers, including civilians, and expose us to the risk of third-party liability claim. Although, we believe we have availed adequate cover, including motor vehicle insurance policies, we cannot assure you that we will be able to receive a claim from these policies, failing which we will have to provide the compensation to the drivers or third parties who suffered a loss during such accidents. In the event any such accidents take place, we may get involved in litigation or other proceedings, or be held liable in any litigation or proceedings, incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business and results of operations.

41. *Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.*

Our operations are subject to inherent risks and hazards which may adversely impact our profitability, such as accidents, cargo damage, misplacement of cargo, fire, riots, third party liability claims, loss-in-transit and natural disasters. Presently, we have obtained certain policies such as standard fire and special perils policy, money insurance policy, motor secure insurance policy, auto secure private car package policy. We have also availed insurance policies such as fidelity guarantee insurance policy, group medical policy and group personal accident insurance policy for our employees. We have also availed various insurance policies to cover our vehicles at our offices. The said policies insure building, furniture, fittings, electrical installation, office equipment, stationery, meter wires, cables, godown, transported godown, meeting rooms, building superstructure, any other office contents, from earthquake, fire, shock, terrorism, etc.; marine cargo open policy insures; all good that are taken by airlines under their rules and regulations which shall not include hazardous goods; portable equipment insurance policy insures laptops and air conditioners from electrical or mechanical breakdown; motor secure insurance policy, auto secure private car package policy and motor secure insurance policy. There are many events that could cause significant damages to our operations, or expose us to third-party liabilities, whether or not known to us, for which we may not be insured or adequately insured, which in turn may expose us to certain risks and liabilities. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance had been availed. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part, or on time. If we were to incur a significant liability for which we were not fully insured, it could adversely affect our results of operations and financial position.

42. *Our Company is subject to foreign exchange control regulations which can pose a risk of currency fluctuations.*

Our Company is involved in various business transaction with international clients and has to conduct the same in accordance with the rules and regulations prescribed under FEMA. Due to non-receipt of such payments in a timely manner, our Company may fail to adhere to the prescribed timelines and may be required to pay penalty to the appropriate authority or department to regularize the payment. Further, our international operations make us susceptible to the risk of currency fluctuations, which may directly affect our operating results. In case we are unable to adhere to the timelines prescribed under the applicable laws or are unable to mitigate the risk of currency fluctuation, it could adversely affect our business, results of operations, financial conditions and cash flows.

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

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. Our business is working capital intensive and we are required to obtain consents from certain of our lenders prior to the declaration of dividend as per the terms of the agreements executed with them. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. Although our Company has declared dividends in the past, however there can be no assurance that our Company will declare dividends in the future also. For further details, please refer to the chapter titled “*Dividend Policy*” and the chapter titled “*Financial Indebtedness*” on pages 97 and 153 respectively, of this Draft Letter of Offer.

44. *Increased losses due to fraud, employee negligence, theft or similar incidents may have an adverse impact on us.*

Our business and the industry in which we operate are vulnerable to the problem of pilferage by employees, damage, misappropriation of cash and inventory management and logistical errors. An increase in such instances may require us to install additional security and surveillance equipment and incur additional expenses during our course of business. We cannot assure you whether these measures will successfully prevent such losses. Further, there are inherent risks in cash management as part of our operations, which include theft and robbery, employee fraud and the risks involved in transferring cash to banks. Additionally, in case of losses due to theft, financial misappropriation, fire, breakage or damage caused by other casualties, we cannot assure you that we will be able to recover from our insurers the full amount of any such loss in a timely manner, or at all. In addition, if we file claims under an insurance policy it could lead to increases in the insurance premiums payable by us or the termination of coverage under the relevant policy.

45. *The deployment of funds is entirely at our discretion and as per the details mentioned in the chapter titled “Objects of the Issue”.*

As the issue size shall be less than ₹10,000 lakhs, under Regulation 41 of the SEBI ICDR Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilisation of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilisation of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoter shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same. For further details, please refer to the chapter titled — “*Objects of the Issue*” on page 61 of this Draft Letter of Offer.

46. *We have not commissioned an industry report for the disclosures made in the chapter titled “Industry Overview” and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us.*

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the chapter titled “*Industry Overview*” of this Draft Letter of Offer. We have made disclosures in the said chapter on the basis of the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Letter of Offer. Further, the industry data mentioned in this Draft Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Letter of Offer in this context.

ISSUE SPECIFIC RISKS

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

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

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

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020 and May 6, 2020, and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see “*Terms of the Issue*” on page 177.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; or (f) the ownership of the Equity Shares currently under dispute, including any court proceedings.

49. The B-WAP payment mechanism facility proposed to be used for this Issue may be exposed to risks, including risks associated with payment gateways.

In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, a separate web based application platform, i.e., the B-WAP facility (accessible at www.bigshareonline.com), has been instituted for making an Application in this Issue by Original Resident Shareholders. Further, B-WAP is only an additional option and not a replacement of the ASBA process. On B-WAP, the Original Resident Shareholders can access and fill the Application Form in electronic mode and make online payment using

the internet banking or UPI facility from their own bank account thereat. For details, see “*Terms of the Issue*” on page 177. Such payment gateways and mechanisms are faced with risks such as:

- keeping information technology systems aligned and up to date with the rapidly evolving technology;
- in the payment services industries;
- scaling up technology infrastructure to meet requirements of growing volumes;
- applying risk management policy effectively to such payment mechanisms;
- keeping users’ data safe and free from security breaches; and
- effectively managing payment solutions logistics and technology infrastructure.

Further, B-WAP is a new facility which has been instituted due to challenges arising out of COVID-19 pandemic. We cannot assure you that B-WAP facility will not suffer from any unanticipated system failure or breakdown or delay, including failure on part of the payment gateway, and therefore, your Application may not be completed or rejected. These risks are indicative and any failure to manage them effectively can impair the efficacy and functioning of the payment mechanism for this Issue. Since Application process through B-WAP is different from the ASBA process, there can be no assurance that investors will not find difficulties in accessing and using the B-WAP facility.

50. *The entitlement of Rights Equity Shares to be allotted to investors applying for Allotment in physical form, will be kept in abeyance.*

In accordance with the SEBI ICDR Regulations, the option to receive the Rights Equity Shares in physical form will not be available after a period of six months from the date of coming into force of the SEBI ICDR Regulations, i.e., May 10, 2019. Since, the Rights Equity Shares offered pursuant to this Issue will be Allotted only after May 10, 2019, the entitlement of Rights Equity Shares to be Allotted to the Applicants who have applied for Allotment of the Rights Equity Shares in physical form will be kept in abeyance in electronic mode by our Company until the Applicants provide details of their demat account particulars to the Registrar. Pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares).

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

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

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares.

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

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

- 54. *There is no guarantee that our Equity Shares will be listed in a timely manner or at all, and any trading closures at the Stock Exchanges may adversely affect the trading price of our Equity Shares.***

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchanges until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future. Secondary market trading in our Equity Shares may be halted by a stock exchange because of market conditions or other reasons. Additionally, an exchange or market may also close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted, which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

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

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

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

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

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

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

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

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

EXTERNAL RISK FACTORS

59. The outbreak of Novel Coronavirus, or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations.

The outbreak, or threatened outbreak, of any severe epidemic caused due to viruses (particularly the Novel Coronavirus) could materially adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our customers and suppliers, which could adversely affect our business, financial condition and results of operations. The outbreak of Novel Coronavirus has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines, shelter in place orders, and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our customers, and those of our respective vendors and suppliers. There is currently substantial medical uncertainty regarding Novel Coronavirus and no government-certified treatment or vaccine is available. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of Novel Coronavirus remain uncertain and could be severe. Our ability to meet our ongoing disclosure obligations might be adversely affected, despite our best efforts. If any of our employees were suspected of contracting Novel Coronavirus or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of Novel Coronavirus will cause an economic slowdown and it is possible that it could cause a global recession. The spread of Novel Coronavirus has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events and conferences), and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers, partners, and suppliers. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak, and our ability to perform critical functions could be harmed.

The extent to which the Novel Coronavirus further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. We are still assessing our business operations and system supports and the impact Novel Coronavirus may have on our results and financial condition, but there can be no assurance that this analysis will enable us to avoid part or all of any impact from the spread of Novel Coronavirus or its consequences, including downturns in business sentiment generally or in our sector in particular. The degree to which Novel Coronavirus impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the outbreak or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, loss of life, injuries and impact the wellbeing of our people.

Further in case the lockdown is extended, it could result in muted economic growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect the business, prospects, results of operations and financial condition of our Company.

60. Significant differences exist between Ind AS, Indian GAAP and other accounting principles, such as US

GAAP and International Financial Reporting Standards (“IFRS”), which investors may be more familiar with and consider material to their assessment of our financial condition.

Our restated summary statements of assets and liabilities as at March 31, 2020 and restated summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the Fiscals 2020 have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Ind AS Rules and restated in accordance with the SEBI ICDR Regulations, the SEBI Circular and the Prospectus Guidance Note.

We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Draft Letter of Offer, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Restated Financial Information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

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

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

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies.

Economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production.

Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

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

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

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

- any increase in Indian interest rates or inflation;

- any scarcity of credit or other financing in India;
- prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- variations in exchange rates;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- prevailing regional or global economic conditions; and
- other significant regulatory or economic developments in or affecting India

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

63. *Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects and results of operations.*

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

The Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards (“**ICDS**”), thereby creating a new framework for the computation of taxable income. The ICDS became applicable from the assessment year for Fiscal 2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

- the General Anti Avoidance Rules (“**GAAR**”) have been made effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.
- a comprehensive national GST regime that combines taxes and levies by the Central and State Governments into a unified rate structure, which came into effect from July 1, 2017. We cannot provide any assurance as to any aspect of the tax regime following implementation of the GST. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

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

Any increase in taxes and levies, or the imposition of new taxes and levies in the future, could increase the cost of production and operating expenses. Taxes and other levies imposed by the central or state governments in India that affect our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The central and state tax scheme in India is extensive and subject to change from time to time. Any adverse changes in

any of the taxes levied by the central or state governments may adversely affect our competitive position and profitability.

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

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

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

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

These could include further falls in Stock Exchange indices and greater volatility of markets in general due to the increased uncertainty. These and other related events could have a significant impact on the global credit and financial markets as a whole, and could result in reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the global credit and financial markets. There are also concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance and the trading price of the Equity Shares.

65. *Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.*

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

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

Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

66. *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.*

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

Further, under the foreign exchange regulations currently in force in India, transfers 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.

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

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

68. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects and results of operations.*

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax ("GST") regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST, as it is implemented. The Government has enacted the GAAR which have come into effect from April 1, 2017.

The Government of India has announced the union budget for Fiscal 2021 and the Ministry of Finance has notified the Finance Act, 2020 ("**Finance Act**") on March 27, 2020, pursuant to assent received from the President, and the Finance Act will come into operation with effect from July 1, 2020. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act would have a material adverse effect on our business, financial condition and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has, in a decision clarified the components of basic wages, which need to be considered by companies while making provident fund payments. Our Company has not made relevant provisions for the same, as on date. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Further, a draft of the Personal Data Protection Bill,

2019 (“**Bill**”) has been introduced before the Lok Sabha on December 11, 2019, which is currently being referred to a joint parliamentary committee by the Parliament. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

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

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

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

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

We are incorporated in India and we conduct our corporate affairs and our business in India. Our Equity Shares are listed on BSE, NSE and CSE. Consequently, our business, operations, financial performance and the market price of our Equity Shares will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

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

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
 - any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
 - prevailing income conditions among Indian customers and Indian corporations;
 - epidemic or any other public health in India or in countries in the region or globally, including in India’s various neighbouring countries;
 - hostile or war like situations with the neighboring countries;
 - macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
 - volatility in, and actual or perceived trends in trading activity on, India’s principal stock exchanges;
 - decline in India’s foreign exchange reserves which may affect liquidity in the Indian economy;
 - downgrading of India’s sovereign debt rating by rating agencies; and
 - difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.
- Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy or certain regions in India, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors’ reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of

other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares.

The recent outbreak of Novel Coronavirus has significantly affected financial markets around the world. Any other global economic developments or the perception that any of them could occur may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

SECTION III – INTRODUCTION

THE ISSUE

This Issue has been authorised through a resolution passed by our Board at its meeting held on September 15, 2020 pursuant to Section 62(1)(a) of the Companies Act. The following is a summary of this Issue, and should be read in conjunction with and is qualified entirely by, the information detailed in the chapter titled “*Terms of the Issue*” on page 177 of this Draft Letter of Offer.

Particulars	Details of Equity Shares
Equity Shares proposed to be issued	Upto [●] Equity Shares
Rights Entitlement	Upto [●] Equity Share(s) for every [●] fully paid-up Equity Share(s) held on the Record Date
Fractional Entitlement	For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or is not in multiples of [●], the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any.
Record Date	[●]
Face value per Equity Shares	₹ 10/-
Issue Price per Rights Equity Shares	₹ [●]/-
Issue Size	Upto ₹ [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] (Including a premium of ₹ [●]) per Rights Equity Share up to an amount of ₹ 950 lakhs.
Voting Rights and Dividend	The Equity Shares issued pursuant to this Issue shall rank <i>pari passu</i> in all respects with the Equity Shares of our Company.
Equity Shares issued, subscribed and paid up prior to the Issue	1,65,35,923 Equity Shares
Equity Shares subscribed and paid-up after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	Upto [●] Equity Shares
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	[●]
Money payable at the time of Application	₹ [●]
Scrp Details	ISIN: INE529D01014 BSE: 526381 NSE: PATINTLOG CSE: 026136
Use of Issue Proceeds	For details please refer to the chapter titled “ <i>Objects of the Issue</i> ” on page 61 of this Draft Letter of Offer.
Terms of the Issue	For details please refer to the chapter titled “ <i>Terms of the Issue</i> ” on page 177 of this Draft Letter of Offer.

Please refer to the chapter titled “*Terms of the Issue*” on page 177 of this Draft Letter of Offer.

Issue Schedule

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

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

GENERAL INFORMATION

Our Company was incorporated as '*Patel Roadways Private Limited*' on June 22, 1962 as a private limited company under the Companies Act, 1956 with the Registrar of Companies, Maharashtra at Bombay and consequently a certificate of incorporation dated June 26, 1970 was issued to our Company. Our Company was converted into a deemed public company on September 20, 1988 and subsequently, pursuant to a special resolution of our Shareholders passed in an extra-ordinary general meeting dated February 07, 1990 our Company was converted into a full-fledged public limited company and subsequently, the name of our Company was changed to '*Patel Roadways Limited*' and a fresh certificate of incorporation dated October 29, 1993, consequent to the conversion was issued to our Company by the Registrar of Companies, Maharashtra at Bombay. Pursuant to a scheme of amalgamation between Patel On-Board Couriers Limited and our Company approved by the Shareholders in their meeting dated May 19, 2006 and by the Hon'ble High Court of Judicature at Bombay vide its order dated August 11, 2006, the name of our Company was changed to '*Patel Integrated Logistics Limited*' and a fresh certificate of incorporation dated September 26, 2006, consequent to the change of the name of our Company was issued by the Registrar of Companies, Maharashtra at Mumbai. The corporate identification number of our Company is L71110MH1962PLC012396.

Registered Office of our Company

Patel Integrated Logistics Limited

Patel House, 5th floor, Plot No. 48,
Gazdarbandh, North Avenue Road,
Santacruz (West), Mumbai- 400 054,
Maharashtra, India.

Telephone: +91 022 2605 8476

Facsimile: N.A.

E-mail: sweta.parekh@patel-india.com

Website: www.patel-india.com

Registration Number: 12396

CIN: L71110MH1962PLC012396

Corporate Office of our Company

52, Natasha, Hill Road,
Bandra (West), Mumbai – 400 052,
Maharashtra, India.

Telephone: +91 022 2642 1242

Facsimile: N.A.

E-mail: sweta.parekh@patel-india.com

Registrar of Companies

Our Company is registered with the Registrar of Companies, Maharashtra situated at the following address:

Registrar of Companies, Maharashtra

100, Everest, Marine Drive
Mumbai- 400 002,
Maharashtra, India.

Telephone: +91 022 2281 2627/ 2202 0295/2284 6954

Facsimile: +91 022 2281 1977

E-mail: roc.mumbai@mca.gov.in

Board of Directors of our Company

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

Name	Age	Designation	Address	DIN
Syed Khurshid Husain	74	Chairman and Whole – time Director	101, Ebony CHS, 14 th Road, Near Mumbai Blue, Bandra (West), Mumbai-400 050, Maharashtra, India.	03010306
Hari Venugopal Nair	53	Additional (Executive) Director	A-401, Silverarch Spring CHSL, Ceaser Road, Amboli, Andheri (West), Mumbai – 400 058, Maharashtra, India.	02362137
Farukh Soli Wadia	55	Independent Director	3/6 Rustom Baug, Sant Savta Marg, Byculla, Mumbai – 400 027, Maharashtra, India.	00097162
Vilas Pandurang Unavane	61	Independent Director	802/A, Matoshree Pearl, Near Kakad Industrial Estate, Off L.J. Road, Mahim, Sitaram Keer Marg, Mumbai – 400 016, Maharashtra, India	02929561
Jasmine Divyesh Mehta	52	Independent Director	Next to Hanuman Mandir, 8 Rishi Dayanand Society, Dadabhai Cross Road No. 3, Vile Parle (West), Mumbai – 400 056, Maharashtra, India.	05220159
Ramakant Krishnajirao Kadam	63	Independent Director	A-5 Divine Light Co Op Hsg Soc., 137-139, Near Sangam Cinema, A.K. Road Chakala MIDC, Andheri (East), Mumbai – 400 093, Maharashtra, India.	03575629

For detailed profile of our Directors, please refer to the chapter titled “*Our Management*” on page 85 of this Draft Letter of Offer.

Chief Financial Officer

Deepak Madhukar Keni, is the Chief Financial Officer of our Company. His contact details are set forth hereunder.

52, Natasha, Hill Road,
Bandra (West), Mumbai – 400 052,
Maharashtra, India.
Telephone: +91 022 2642 1228
E-mail: deepak.keni@patel-india.com

Company Secretary and Compliance Officer

Sweta Pankaj Parekh, Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder.

52, Natasha, Hill Road,
Bandra (West), Mumbai – 400 052,
Maharashtra, India.
Telephone: +91 022 2642 1220
E-mail: sweta.parekh@patel-india.com

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

Registrar to the Issue

Bigshare Services Private Limited

1st floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai- 400 059,
Maharashtra, India.

Telephone: +91 22 6263 8200

Facsimile: +91 22 6263 8280

E-mail: rightsissue@bigshareonline.com

Website: www.bigshareonline.com

Contact person: Ashish Bhope

Investor grievance: investor@bigshareonline.com

SEBI Registration No: INR000001385
Validity of Registration: Permanent

Legal Advisor to the Issue

M/s. Crawford Bayley & Co.
4th Floor, State Bank Buildings
N.G.N. Vaidya Marg, Fort,
Mumbai - 400 023,
Maharashtra, India
Telephone: +91 22 2266 3353
Facsimile: +91 22 2266 3978
Email: sanjay.asher@crawfordbayley.com
Contact Person: Sanjay Asher

Statutory and Peer Review Auditor of our Company

M/s. Hitesh Shah & Associates,
Chartered Accountants
Office No. 208, 2nd Floor, Plot No. 26,
Shalimar Miracle, Opp. City Centre,
Next to Sardar Patel Hall, Jawahar Nagar,
Goregaon (West), Mumbai - 400 052
Maharashtra, India.
Telephone: +91 022 2874 5501
Email: hiteshshahansassociates@gmail.com
Contact Person: Hitesh Shah
Membership No.: 040999
Firm Registration No.: 103716W
Peer Review Certificate No.: 011907

Bankers to the Issue/ Refund Bank

The Banker to the Issue/ the Refund Bank shall be appointed prior to filing of the Letter of Offer.

Designated Intermediaries

Self-Certified Syndicate Banks

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

Inter-se Allocation of Responsibilities

The Company has not appointed any merchant banker as the Issue size is less than ₹ 5,000.00 lakhs and hence there is no inter-se allocation of responsibilities

Investor grievances

Investors may contact the Company Secretary and Compliance Officer for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment/ share certificates/ demat credit/ Refund Orders, etc.

Investors are advised to contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre- Issue or post-Issue related problems such as non-receipt of Abridged Letter of Offer/ Application Form and Rights Entitlement Letter/ Letter of Allotment, Split Application Forms, Share Certificate(s) or Refund Orders, etc. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the applicant, ASBA Account number and the

Designated Branch of the SCSBs, number of Equity Shares applied for, amount blocked, where the Application Form and Rights Entitlement Letter or the plain paper application, in case of Eligible Equity Shareholder, was submitted by the ASBA Investors through ASBA process or B-WAP.

Credit Rating

As this is an Issue of Equity Shares, credit rating is not required.

Debenture Trustees

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

Monitoring Agency

As the net proceeds of the Issue will be less than ₹10,000 lakhs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

Filing

SEBI *vide* the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer will be filed with the Stock Exchanges and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchanges.

Underwriting Agreement

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

Changes in Auditors during the last three years

There has been no change in the statutory auditors of our Company during the three years immediately preceding the date of this Draft Letter of Offer.

Minimum Subscription

In accordance with Regulation 86 of the SEBI ICDR Regulations, for this Issue the minimum subscription which is required to be achieved is of at least 90% of the Issue. Our Company does not fall under the exemption to Regulation 86(1) which has been inserted by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020.

However, SEBI *vide* its circular dated April 21, 2020 bearing number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 has relaxed the requirement of minimum subscription and has reduced the threshold of subscription from 90% to 75% of the Issue. Further, as per the said circular if the Issue is subscribed between 75% to 90%, Issue will be considered successful subject to the condition that out of the funds raised at least 75% of the Issue size shall be utilized for the objects of the Issue other than General Corporate Purpose. The relaxation is subject to the condition that this Issue opens before March 31, 2021.

If our Company does not receive the minimum subscription of at least 75% of the Issue, or the subscription level falls below 75%, after the Issue Closing Date on account of cheques being returned unpaid or withdrawal of applications, our Company shall refund the entire subscription amount received within 15 days from the Issue Closing Date. If there is delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rates prescribed under applicable laws. The above is subject to the terms mentioned under “*Issue Related Information*” on page 177.

CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Letter of Offer and after giving effect to the Issue is set forth below:

S. No.	Particulars	Amount (in ₹ Lakhs, except share data)	
		Aggregate value at nominal value	Aggregate value at Issue Price
A. Authorised Share Capital			
	3,00,00,000 Equity Shares of face value of ₹ 10 each	3,000.00	
B. Issued, Subscribed and Paid-Up Share Capital before the Issue			
	1,65,35,923 Equity Shares of face value of ₹ 10 each	1,653.60	
C. Present Issue in terms of this Draft Letter of Offer			
	Up to [●] Equity Shares of ₹ 10/- each	[●]	[●]
D. Issued, Subscribed and Paid-Up Share Capital after the Issue			
	[●] Equity Shares of face value of ₹10 each	[●]	
E. Securities Premium Account			
	Before the Issue	3,872.37	
	After the Issue ⁽²⁾	[●]	

⁽¹⁾The present Issue has been authorised by the Board of Directors vide a resolution passed at its meeting held on September 15, 2020.

⁽²⁾The Equity Share Capital after the Issue includes the full value of the Rights Equity Shares allotted in the Issue.

NOTES TO CAPITAL STRUCTURE

1. Intention and extent of participation by our Promoter and Promoter Group in the Issue:

Our Promoter and Promoter Group have undertaken to subscribe, jointly and/ or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoter or member(s) of the Promoter Group of our Company. Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares is exempt in terms of Regulation 10(4)(b) of the Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the Takeover Regulations.

The additional subscription by the promoters shall be made subject to such additional subscription not resulting in the minimum public shareholding of the issuer falling below the level prescribed in Regulation 38 of the LODR/ SCRR. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

2. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the Takeover Regulations is ₹ [●]/- per equity share.

3. Shareholding Pattern of our Company as per the last filing with the Stock Exchanges:

(i) The summary statement of the shareholding pattern of our Company as on September 30, 2020 is as follows:

The table below represents the summary statement of the shareholding pattern of our Company as on September 30, 2020:

Category (I)	Category of Shareholder (II)	No. 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 No. of shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C 2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares underlying outstanding convertible securities (including warrants)	Shareholding as a % assuming full conversion of convertible securities No. (a)	No. of locked-in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								Class (Equity)	Total	Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoter and Promoter Group	06	59,84,908	-	-	59,84,908	36.19	59,84,908	59,84,908	36.19	-	-	-	-	-	-	59,84,908
(B)	Public	17,947	1,05,51,015	-	-	1,05,51,015	63.81	1,05,51,015	1,05,51,015	63.81	-	-	-	-	-	-	1,00,51,614
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total		17,953	1,65,35,923	-	-	1,65,35,923	100.00	1,65,35,923	1,65,35,923	100.00	-	-	-	-	-	-	1,60,36,522

(ii) The statement of the shareholding pattern of our Company as on September 30, 2020 is as follows:

Category of Shareholder	Nos. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
(A) Promoter & Promoter Group	06	59,84,908	59,84,908	36.19	59,84,908	36.19	59,84,908
(B) Public	17,947	1,05,51,015	1,05,51,015	63.81	1,05,51,015	63.81	1,00,51,614
Grand Total	17,953	1,65,35,923	1,65,35,923	100.00	1,65,35,923	100.00	1,60,36,522

(iii) Statement showing holding securities of persons belonging to the category “Promoter and Promoter Group” as at September 30, 2020:

Category of Shareholder	Nos. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
A1) Indian							
a. Individuals/Hindu undivided family	02	3,42,158	3,42,158	2.07	3,42,158	2.07	3,42,158
Natasha Rajesh Pillai	01	1,50,058	1,50,058	0.91	1,50,058	0.91	1,50,058
Yasmin Asgar Patel	01	1,92,100	1,92,100	1.16	1,92,100	1.16	1,92,100
b. Body corporates	03	45,76,871	45,76,871	27.68	45,76,871	27.68	45,76,871
Patel Holdings Limited	01	30,25,667	30,25,667	18.30	30,25,667	18.30	30,25,667
Wall Street Securities and Investments India Limited	01	1,79,704	1,79,704	1.09	1,79,704	1.09	1,79,704
A.S.Patel & Y.A.Patel as Trustee of A.S.Patel Trust	01	13,71,500	13,71,500	8.29	13,71,500	8.29	13,71,500
Sub- total of A1	05	49,19,029	49,19,029	29.75	49,19,029	29.75	49,19,029

Category of Shareholder	Nos. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
A2) Foreign							
Individuals (NonResident Individuals/ Foreign Individuals)	01	10,65,879	10,65,879	6.45	10,65,879	6.45	10,65,879
Asgar Shakoor Patel	01	10,65,879	10,65,879	6.45	10,65,879	6.45	10,65,879
Sub-total of A2	01	10,65,879	10,65,879	6.45	10,65,879	6.45	10,65,879
A= A1+ A2	06	59,84,908	59,84,908	36.19	59,84,908	36.19	59,84,908

(iv) Statement showing holding of securities of persons belonging to the “Public” category as on September 30, 2020:

Category of Shareholder	Nos. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
B1) Institutions							
Financial Institutions/ Banks	02	1,30,407	1,30,407	0.79	1,30,407	0.79	1,30,407
Sub Total B1	02	1,30,407	1,30,407	0.79	1,30,407	0.79	1,30,407
B2) Central Government/ State Government(s) / President of India							
B3) Non-Institutions							
Individual share capital upto Rs. 2 Lacs	16,877	66,16,594	66,16,594	40.01	66,16,594	40.01	61,99,393
Individual share capital in excess of Rs. 2 Lacs	31	14,00,213	14,00,213	8.47	14,00,213	8.47	14,00,213
Rohit Shrivastava	01	1,74,000	1,74,000	1.05	1,74,000	1.05	1,74,000
Any Other	1037	24,03,801	24,03,801	14.54	24,03,801	14.54	23,21,601

Category of Shareholder	Nos. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
Bodies Corporate	116	3,47,442	3,47,442	2.10	3,47,442	2.10	3,45,667
Clearing Members	43	58,745	58,745	0.36	58,745	0.36	58,745
Foreign Portfolio Investor (Category - III)	01	500	500	Negligible	500	Negligible	500
HUF	393	3,50,732	3,50,732	2.12	3,50,732	2.12	3,50,732
IEPF	01	3,97,266	3,97,266	2.40	3,97,266	2.40	3,97,266
Non-Resident Indian (NRI)	481	3,44,350	3,44,350	2.08	3,44,350	2.08	2,63,925
Overseas Corporate Bodies	01	8,99,362	8,99,362	5.44	8,99,362	5.44	8,99,362
Frontline Strategy Limited	01	8,99,362	8,99,362	5.44	8,99,362	5.44	8,99,362
Trusts	01	5,404	5,404	0.03	5,404	0.03	5,404
Sub-total B3	17,945	1,04,20,608	1,04,20,608	63.02	1,04,20,608	63.02	99,21,207
B= B1+B2+B3	17,947	1,05,51,015	1,05,51,015	63.81	1,05,51,015	63.81	1,00,51,614

(v) Details of shareholders of our Company holding 1% or more of the paid-up capital of the issuer as last disclosed to the stock exchanges:

Sr. No.	Name of the Shareholders	No. of Equity Shares	% of Equity Capital	Pre-Issue Share Capital	% of Equity Capital	Post-Issue Share Capital
1.	Patel Holdings Limited	30,25,667		18.30		[•]
2.	A.S. Patel & Y.A. Patel as Trustee of A. S. Patel Trust	13,71,500		8.30		[•]
3.	Frontline Strategy Limited	8,99,362		5.44		[•]
4.	Asgar Patel	8,65,879		5.24		[•]
5.	Investor Education and Protection Fund Authority	3,97,266		2.40		[•]
6.	Asgar Shakoor Patel	2,00,000		1.21		[•]
7.	Yasmin Asgar Patel	1,92,100		1.16		[•]
8.	Wall Street Securities and Investments India Limited	1,79,704		1.09		[•]
9.	Rohit Srivastava	1,74,000		1.05		[•]
	Total	73,05,478		44.19		[•]

(vi) Details of shares locked-in, pledged, encumbrance by promoters and promoter group:

As on date of this Draft Letter of Offer, none of the Equity Shares held by our Promoter or the members of our Promoter Group are locked-in, pledged or otherwise encumbered. However, on August 28, 2020, the pledge created in favour of Central Bank of India on the Equity Shares held in the name of our deceased Promoter, Late. Areef Asgar

Patel, i.e. 9,27,884 Equity Shares aggregating 5.61% of the Equity Share Capital of our Company has been invoked. For further details, please refer to the chapter titled “*Financial Indebtedness*” at page 153 of this Draft Letter of Offer.

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds from this Issue towards the following objects:

1. Repayment and/or prepayment of a portion of the principal and/or interest of certain borrowings availed by our Company; and
2. General corporate purposes.

(collectively, known as “Objects”)

The main objects and the objects incidental and ancillary to the main objects of our Memorandum of Association enable our Company to undertake the activities for which the funds are being raised through the Issue, and the activities for which the borrowings proposed to be repaid in full or part from the Net Proceeds.

Issue Proceeds

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

(₹ in lakhs)	
Particulars	Amount
Gross Proceeds from this Issue [^]	950.00
Less: Estimated Issue related expenses*	[●]
Net Proceeds from the Issue	[●]

[^] assuming full subscription and allotment

* to be determined on finalization of the Issue Price and updated in the Letter of Offer at the time of filing with the Stock Exchanges.

Requirement of Funds and utilization of Net Proceeds

The proposed utilization of the Net Proceeds by our Company is set forth in the following table:

(₹ in lakhs)	
Particulars	Amount
Repayment and/or prepayment of a portion of the principal and/or interest of certain borrowings availed by our Company	850.00
General corporate purposes	[●]
Total Net proceeds	[●]

The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds. However, if our Company receives subscription between 75% to 90%, of the Issue Proceeds, at least 75% of the Issue Proceeds shall be utilized for repayment and/or prepayment of a portion of the principal and / or interest of certain borrowings availed by our Company.

There are no existing or anticipated transactions in relation to utilization of Net Proceeds with our Promoter, Directors, key managerial personnel or associate companies (as defined under Companies Act, 2013).

Means of Finance

The funding requirements mentioned above are based on our Company’s internal management estimates and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, our Company’s funding requirements and deployment schedules are subject to revision in the future at the discretion of our management.

The fund requirements set out above are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 62(1)(c) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance, excluding the amount to be

raised from the Issue.

Details of the Objects of this Issue

1. Repayment and/or prepayment of a portion of the principal and/or interest of certain borrowings availed by our Company

Our Company has entered into various financing arrangements with banks, NBFCs and financial institutions. The borrowing arrangements entered into by our Company includes term loans, cash credit and working capital loans, including bank guarantees. Further our Company has also accepted public fixed deposits which are used for our Company's working capital requirements. Our Company proposes to utilize an estimated amount of ₹ 850 lacs from the Net Proceeds towards repayment and/or pre-payment of a portion of the principal and / or interest of the borrowings availed by our Company.

The selection of borrowings proposed to be repaid and from our facilities set forth below shall be based on various factors, including, amongst others (i) cost of the borrowings to our Company, including applicable interest rates; (ii) any conditions attached to the borrowings restricting our ability to repay and/or prepay the borrowings and time taken to fulfil, or obtain waivers for fulfillment of, such requirements, (iii) borrowings becoming due as per the schedule of repayment of respective lenders; (iv) receipt of consents for repayment, prepayment from the respective lenders, (v) terms and conditions of any such consents and waivers, (vi) levy of any prepayment penalties and the quantum thereof, (vii) provisions of any law, rules, regulations governing such borrowings, and (viii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan. Given the nature of these borrowings and the terms of repayment or prepayment, the aggregate outstanding borrowing amounts may vary from time to time.

The repayment and prepayment will help reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a favorable debt to equity ratio and enable utilization of our internal accruals for further investment in business growth and expansion. In addition, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to expand our business.

The amounts outstanding against the loans disclosed below may vary from time to time, in accordance with the amounts drawn down and the prevailing interest rates. Accordingly, the amounts proposed to be prepaid and / or repaid against each facility is indicative and our Company may utilize the Net Proceeds to prepay and / or repay the facilities disclosed below in accordance with commercial considerations, including amounts outstanding at the time of prepayment and / or repayment.

(₹ lacs)				
Sr. No	Name of the lender	Nature of borrowing	Purpose of loan [^]	Amount outstanding as on September 30, 2020
1.	HDFC Bank Limited	Cash Credit	Working Capital	1,227.29
		Bank Guarantee	Working Capital	200.40
2.	IndusInd Bank Limited	Cash Credit	Working Capital	1,587.64
		Bank Guarantee	Working Capital	25.00
3.	DCB Bank Limited	Cash Credit	Working Capital	963.69
		Bank Guarantee	Working Capital	
4.	Saraswat Co-operative Bank Limited	Loan against property	Secured Term Loan	447.25
5.	PNB Housing Finance Limited	Loan against property	Secured Term Loan	228.40
6.	Dewan Housing Finance Corporation Limited	Term Loan	Loan for purchase of property	235.45
7.	Bajaj Finserv Limited	Loan against securities	Working Capital	245.00
8.	ICICI Bank Limited	Credit Card Facility	Working Capital	135.31
9.	Vehicle Loans	Secured loans against mortgage of respective vehicle	Vehicle Loans for business operations of the company	
	- ICICI Bank			24.01
	- HDFC Bank			102.49
	- Axis Bank			18.07
10.	Deposits from public	Unsecured	Working Capital	1,213.93

Sr. No	Name of the lender	Nature of borrowing	Purpose of loan [^]	Amount outstanding as on September 30, 2020
Total				6,653.93

Hitesh Shah & Associates, Chartered Accountants, statutory auditors of our Company, pursuant to their certificate dated December 21, 2020, have confirmed that these borrowings have been utilized for the purposes for which they were availed, as provided in the relevant borrowing documents.

For a complete disclosure of the principal terms and conditions of the loans and assets charged as security for the said loans, please refer to the section titled “Financial Indebtedness” on page 153 of this Draft Letter of Offer.

2. General corporate purposes

In terms of Regulation 62 (2) of the SEBI ICDR Regulations, the extent of the Issue Proceeds proposed to be used for general corporate purposes shall not exceeding 25% of the Gross proceeds of the Issue. Our Board will have flexibility in applying the balance amount towards general corporate purposes, including repayment of outstanding loans, meeting our working capital requirements, capital expenditure, funding our growth opportunities, including strategic initiatives, meeting expenses incurred in the ordinary course of business including salaries and wages, administration expenses, insurance related expenses, meeting of exigencies which our Company may face in course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act.

Our management will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

Deployment of funds

Particulars	Amount proposed to be funded from Net Proceeds	Proposed schedule for deployment of the Net Proceeds
		Fiscal 21
Repayment and/or prepayment of a portion of the principal and/or interest of certain borrowings availed by our Company	850.00	850.00
General corporate purposes	[●]	[●]
Total	[●]	[●]

Estimated Issue related expenses

The total expenses of this Issue are estimated to be ₹ [●] lacs. The break-up of the Issue expenses is as follows:

Particulars	Amount* (₹ lacs)	As a percentage of total expenses*	As a percentage of Issue size*
Fees of the Registrar to the Issue, Legal Advisor, Auditor’s fees, including out of pocket expenses etc.	[●]	[●]	[●]
Expenses relating to advertising, printing, distribution, marketing and stationery expenses	[●]	[●]	[●]
Regulatory fees, filing fees, listing fees and other miscellaneous expenses	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

** Subject to finalization of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall adjusted with the amount allocated towards general corporate purposes. Amount will be finalized at the time of filing of the Letter of Offer and determination of Issue Price and other details.*

Bridge Financing Facilities

Our Company has not raised any bridge loan from any bank or financial institution as on the date of the Draft Letter of Offer, which are proposed to be repaid from the Net Proceeds.

Interim use of Net Proceeds

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors. Our Company confirms that pending utilization of the Net Proceeds towards the stated objects of the Issue, our Company shall not use/deploy the Net Proceeds for any investment in the equity markets.

Monitoring of utilization of funds

Since the Issue is for an amount less than ₹ 10,000 lacs, in terms of Regulation 82 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of the Issue. As required under the SEBI Listing Regulations, the Audit Committee appointed by the Board shall monitor the utilization of the proceeds of the Issue. We will disclose the details of the utilization of the Net Proceeds of the Issue, including interim use, under a separate head in our financial statements specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements.

As per the requirements of Regulations 18 of the SEBI Listing Regulations, we will disclose to the Audit Committee the uses/ applications of funds on a quarterly basis as part of our quarterly declaration of results. Further, on an annual basis, we shall prepare a statement of funds utilized for purposes other than those stated in the Draft Letter of Offer and place it before the Audit Committee. The said disclosure shall be made till such time that the Gross Proceeds raised through the Issue have been fully spent. The statement shall be certified by our Auditor.

Further, in terms of Regulation 32 of the SEBI Listing Regulations, we will furnish to the Stock Exchanges on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the objects stated in the Draft Letter of Offer. Further, this information shall be furnished to the Stock Exchanges along with the interim or annual financial results submitted under Regulations 33 of the SEBI Listing Regulations and be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the Audit Committee in terms of Regulation 18 of the SEBI Listing Regulations.

Appraising entity

None of the objects of this Issue, for which the Net Proceeds will be utilized, have been appraised.

Strategic or financial partners

There are no strategic or financial partners to the Objects of the Issue.

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

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

STATEMENT OF TAX BENEFITS

Statement of possible special tax benefits available to the Company and its Shareholders

To,

The Board of Directors
Patel Integrated Logistics Limited
52, Natasha, Hill Road,
Bandra (West), Mumbai - 400 052,
Maharashtra, India.

Subject: Statement of Special Possible Tax Benefits available to Patel Integrated Logistics Limited and its shareholders

We report that the enclosed statement in the Annexures, states the possible special tax benefits under direct and indirect tax laws and Income tax Rules, 1962 including amendments made by the Finance Act, 2019 and the Taxation Laws (Amendment) Act, 2019 (hereinafter referred to as 'Income Tax Laws'), the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations, circulars and notifications issued there under, Foreign Trade Policy presently in force in India, available to the Company and its shareholders. Several of these benefits are dependent on the Company, its shareholders as the case may be, fulfilling the conditions prescribed under the Act. Hence, the ability of the Company, its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its shareholders faces in the future, the Company, its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Statement cover only special tax benefits available to the Company, and to the shareholders of the Company and are not exhaustive and also do not cover any general tax benefits available to the Company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement

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

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

- (i) the Company or its shareholders will continue to obtain these benefits in future; or
- (ii) the conditions prescribed for availing the benefits have been/would be met with.

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

Yours faithfully,

For Hitesh Shah & Associates
Chartered Accountants
FRNO 103716W
CA HITESH SHAH
PARTNER
M. No. 040999
Date: December 21, 2020
Place: Mumbai

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO PATEL INTEGRATED LOGISTICS LIMITED (THE “COMPANY”) AND ITS SHAREHOLDERS

I. UNDER THE INCOME-TAX ACT, 1961 (hereinafter referred to as the ‘Act’)

1. *Special tax benefits available to the Company under the Act*
There are no special tax benefits available to the Company.
2. *Special tax benefits available to the shareholders under the Act*
There are no special tax benefits available to the shareholders of the Company.

Notes:

- a) The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- b) 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.
- c) The above statement of possible tax benefits is as per the current direct tax laws relevant for the assessment year 2020-21.
- d) This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- e) In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.
- f) 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.

STATEMENT OF INDIRECT TAX BENEFITS AVAILABLE TO PATEL INTEGRATED LOGISTICS LIMITED (THE “COMPANY”) AND ITS SHAREHOLDERS

II. The Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 (“GST Act”), the Customs Act, 1962 (“Customs Act”) and the Customs Tariff Act, 1975 (“Tariff Act”) (collectively referred to as “indirect tax”)

- 1. Special indirect tax benefits available to the Company under the Act*
There are no special indirect tax benefits available to the Company.
- 2. Special indirect tax benefits available to the shareholders under the Act*
There are no special indirect tax benefits applicable in the hands of shareholders for investing in the Shares of the Company.

Notes:

- a) The above statement is based upon the provisions of the specified Indirect tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
- b) The above statement covers only above-mentioned tax laws benefits and does not cover any income tax law benefits or benefit under any other law.
- c) This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- d) 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.

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information. The information in this section must be read in conjunction with the sections titled “Risk Factors” and “Our Business” beginning on pages 21 and 76, respectively.

The Global Economy

Global growth for the year 2019 was at 2.9%. As a result of Covid-19 pandemic, the same is expected to contract sharply to -4.9% in 2020. Also, it is expected that the pandemic will fade in second half of 2020 and containment efforts can be gradually unwound, the global economy is projected to grow by 5.4% in 2021, as per The World Bank, World Economic Outlook June 2020.

Summary of World Economic Outlook Projections is given below (in %):

	2019	2020P	2021P
World	2.9	-4.9	5.4
Advanced Economies	1.7	-8.0	4.8
United States	2.3	-8.0	4.5
Euro Area	1.3	-10.2	6.0
Japan	0.7	-5.8	2.4
United Kingdom	1.4	-10.2	6.3
Canada	1.7	-8.4	4.9
Other Advanced Economies*	1.7	-4.8	4.2
Emerging market and developing economies (EMDEs)	3.7	-3.0	5.9
Emerging and Developing Asia	5.5	-0.8	7.4
China	6.1	1.0	8.2
India**	4.2	-4.5	6.0
ASEAN-5***	4.9	-2.0	6.2
Emerging and Developing Europe	2.1	-5.8	4.3
Latin America and Caribbean	0.1	-9.4	3.7
Middle East and Central Asia	1.0	-4.7	3.3
Sub-Saharan Africa	3.1	-3.2	3.4

p- Projections

* Excludes the Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries

** For India, data and forecasts are presented on a fiscal year basis and GDP from 2011 onward is based on GDP at market prices with FY 11-12 as a base year.

*** Indonesia, Malaysia, Philippines, Thailand, Vietnam

(Source: World Economic Outlook June 2020 as published by IMF)

Growth in the advanced economy group—where several economies are experiencing widespread outbreaks and deploying containment measures—is projected at -8.0% in 2020. Most economies in the group are forecast to contract this year. In parts of Europe, the outbreak has been as severe as in China’s Hubei province. Although essential to contain the virus, lockdowns and restrictions on mobility are extracting a sizable toll on economic activity. Adverse confidence effects are likely to further weigh on economic prospects. In 2021 the advanced economy growth rate is projected to strengthen to 4.8 percent, leaving 2021 GDP for the group about 4 percent below its 2019 level.

Among emerging market and developing economies, all countries face a health crisis, severe external demand shock, dramatic tightening in global financial conditions, and a plunge in commodity prices, which will have a severe impact on economic activity in commodity exporters. Overall, the group of emerging market and developing economies is projected to contract by -3.0% in 2020. Downward revision to the 2020 growth projection reflects large anticipated domestic disruptions to economic activity from COVID-19. In 2021 the growth rate for emerging market and developing economies is projected to strengthen to 5.9 percent, largely reflecting the rebound forecast for China (8.2 percent). The growth rate for the group, excluding China, is expected to be -5.0 percent in 2020 and 4.7 percent in 2021, leaving 2021 GDP for this subset of emerging market and developing economies slightly below its 2019 level.

Emerging Asia is projected to have a nominal decline rate in 2020 (-0.8%). The rebound in 2021 with projected growth rate of 7.4% in emerging Asia depends critically on the pandemic fading in the second half of 2020, allowing containment efforts to be gradually scaled back and restoring consumer and investor confidence. Several economies in the region are forecast to grow at modest rates, including India at 1.9%.

Financial markets across the world are experiencing extreme volatility: equity markets recorded sharp sell-offs, with volatility touching levels seen during the global financial crisis; flights to safety have taken down sovereign bond yields to record lows; risk spreads have widened; and financial conditions have tightened. Global commodity prices, especially of crude oil, have also declined sharply in anticipation of weakening global demand on the one hand, and the failed negotiations of the Organisation of the Petroleum Exporting Countries (OPEC) and Russia, on the other.

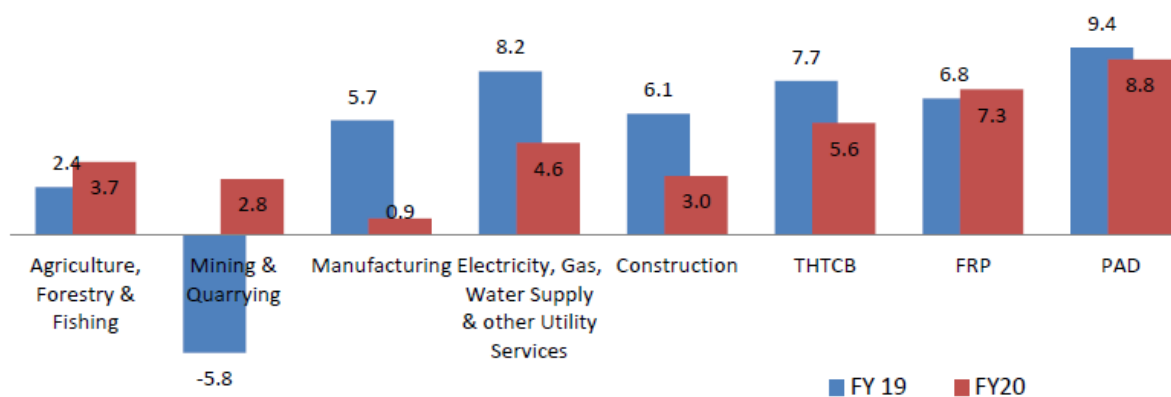
Many central banks have eased monetary, liquidity and regulatory policies to support domestic demand, including through emergency off-cycle meetings. The International Monetary Fund (IMF) and the World Bank Group are making available US\$ 50 billion and US\$ 14 billion, respectively, through various financing facilities to their membership to help them respond to the crisis.

The Indian Economy

The annual growth of India for 2020 has been projected to be -4.5% as per IMF world Economic Outlook June 2020. However, it is expected to rebound to 6.0% in 2021.

Gross Domestic Product (GDP) is the sum of private consumption, gross investment in the economy, government investment, government spending and net foreign trade (difference between exports and imports). Sectorial GDP Growth is as under:

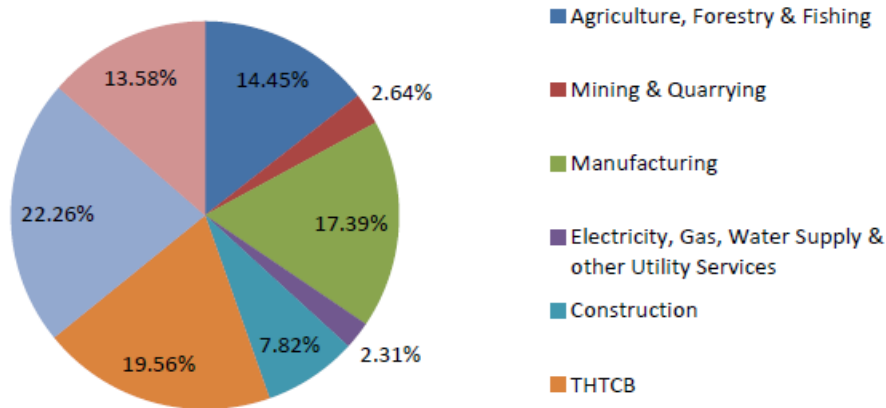
Sectoral Growth of GDP in (%) (At constant FY 11-12 prices)



(Source: Ministry of Statistics and Programme Implementation)

Gross value added (GVA) is the measure of the value of goods and services produced in an economy. GVA gives picture of supply side where as GDP represents consumption. Sector wise estimated contribution to GVA is provided below:

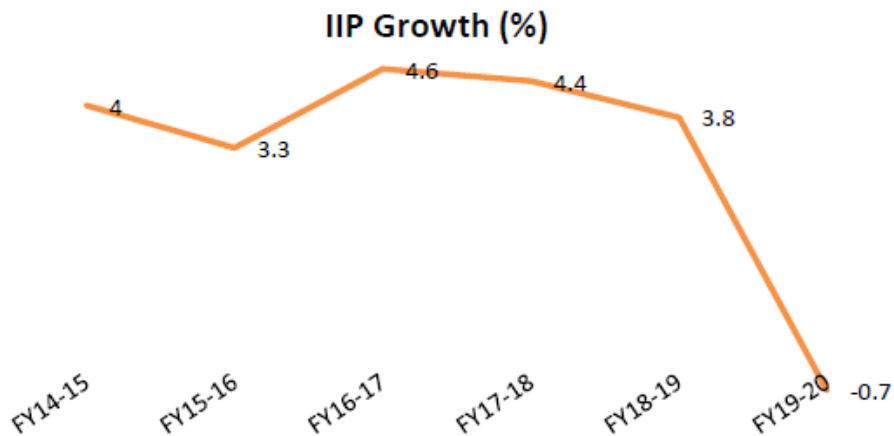
**% contribution to GVA at Constant prices (FY 11-12) for
FY 19-20**



(Source: Ministry of Statistics and Programme Implementation)

It may be noticed from the above that Financial, Real Estate and Professional services (FRP) contribute highest followed by contribution from Trade, Hotels, Transport and Communication services (THTCB). Share of Manufacturing and Agriculture sector was 3rd and 4th largest respectively.

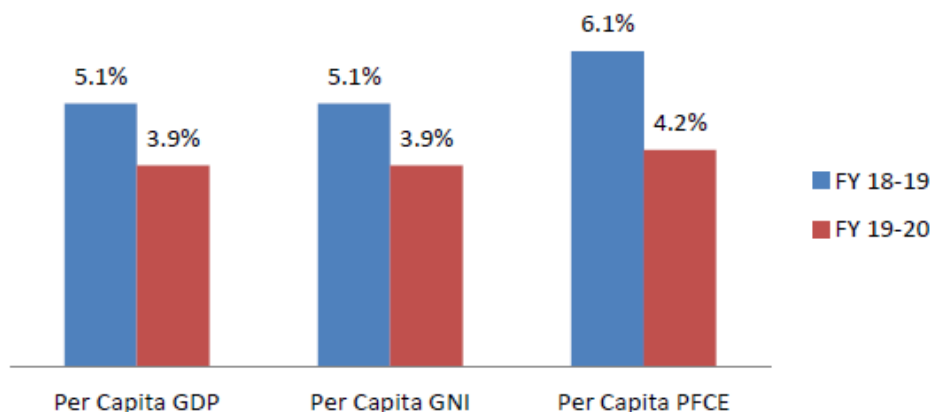
Industrial Growth - The cumulative Index of Industrial Production (IIP) growth during FY 19-20 was at -0.7%.



(Source: Ministry of Statistics and Programme Implementation)

In view of the global COVID-19 pandemic and consequent nationwide lockdown measures implemented since March, 2020, the data flow from the producing units was impacted. As some of these units are yet to resume operations, the response rate has been lower than usual. Consequently, the Quick Estimates are likely to undergo revision and will be incorporated in subsequent releases as per the revision policy of IIP.

Growth in Per Capita GDP, Income and Final Consumption



(Source: Ministry of Statistics and Programme Implementation)

During the year FY 19-20, growth in per capita GDP, income and private consumption have decreased compared to previous FY 18-19. It may be noted share of private consumption as % GDP has increased slightly from 56.7% in FY 18-19 to 56.9% in FY 19-20 indicating an increasing share of private consumption in the country.

Indian Economy Outlook

India has not been spared from the exponential spread of COVID-19. As per IMF, growth in India is projected to be -4.5% in 2020 and “V” shape recovery with 6.0% growth in 2021. While efforts are being mounted on a war footing to arrest its spread, COVID-19 would impact economic activity in India directly through domestic lockdown. Second round effects would operate through a severe slowdown in global trade and growth.

Domestic and global shocks to key conditioning variables such as global crude oil prices, global trade and growth, the exchange rate, the monsoon outturn and the rising frequency of their visitations make forecasting a challenging task. Such uncertainties make the forecasting of growth highly challenging. The actual outturn would depend upon the speed with which the outbreak is contained and economic activity returns to normalcy.

Private consumption, in particular, is at serious risk from the COVID-19 pandemic, notwithstanding improved rabi prospects and the recent rise in food prices, and the rationalisation of personal income tax rates in the Union Budget 2020-21 along with measures to boost rural and infrastructure spending. Aggregate demand is expected to be impacted adversely by likely recession in the global economy, caused by disruptions in global supply chains, travel and tourism, and lockdowns in many economies. Domestic production will also be impacted by the nationwide lockdown. In the near-term, the challenge is to mitigate the adverse impact of COVID-19.

Since March 2020 the inflation outlook has become highly uncertain due to the COVID-19 outbreak turning into a pandemic. Crude oil prices have collapsed to lows not seen since early 2000s. With several major economies in lockdown mode, demand conditions may weaken sharply. Accordingly, countries across the world are bracing up for deflationary forces to take hold. India may not be immune to these extreme downside pressures imparted by the pandemic.

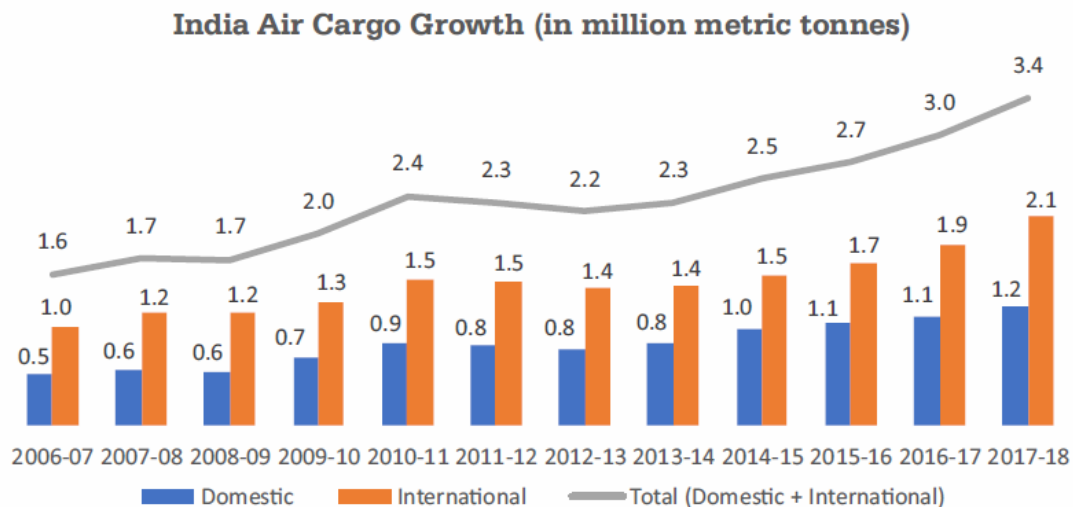
The pick-up in economic activity would be dependent on the easing of lockdown across the country and the containment of the spread of the virus. The longer the economy at a standstill the longer the return to normalcy. Even with easing of lockdown, revival across sectors would vary significantly and be contingent on how they are able to address the challenges of liquidity, labour, logistics, demand and capacity utilization.

Significant monetary and liquidity measures taken by the Reserve Bank and fiscal measures by the government would mitigate the adverse impact on domestic demand and help spur economic activity once normalcy is restored. Still, the government would have to play a critical role for the revival of the economy mainly through investments which could to an extent address the dire employment situation and also prompt consumption.

Air Cargo Industry in India

In India the air transport industry contributed about US\$ 30 billion annually to India's GDP, and directly employed more than 390,000 people while supporting another 570,000 in the supply chain as per the July 2016 study carried out by Air Transport Action Group (ATAG).

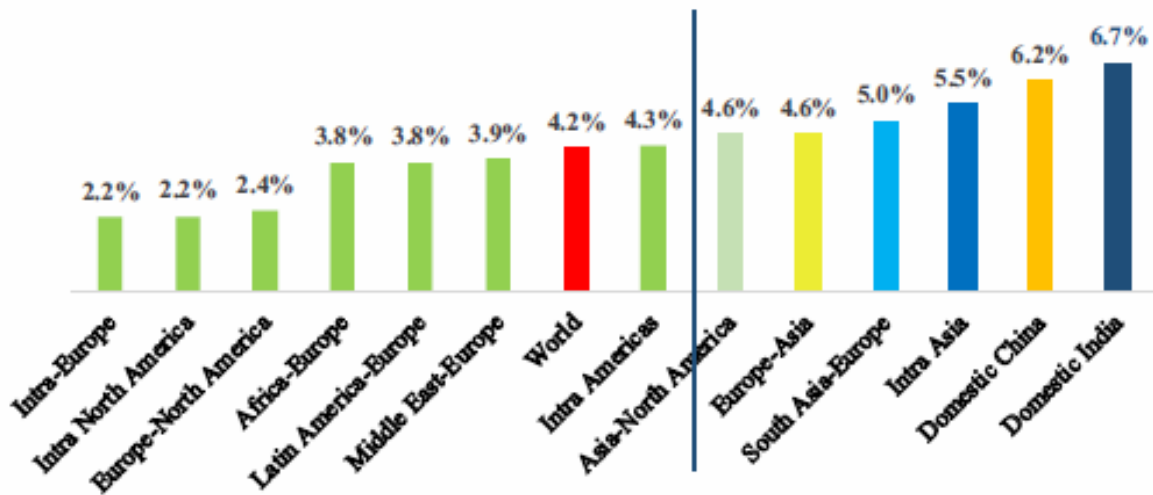
Air cargo handled at Indian airports grew by more than 20 times from 0.08 MMT in 1972-73 to 2.5 MMT in 2014-15. During the period 2013-14 to 2017-18 it accelerated sharply and grew with a CAGR of 10.0%. International cargo comprises of 60% of total air cargo tonnes handled in India and grew at 15.6% in 2017-18. Domestic cargo grew by over 8%, which reflects the skewed modal mix in which roads account for over 60% of cargo transportation as compared to the global average of around 30%. Indian express industry is one of the fastest growing market globally, but with a small share of about 2% of the global market. This industry grew at 17% CAGR over the past 5 years and was estimated to be INR 22,000 crore in 2016-17. Domestic express industry a key constituent of the Indian express industry is estimated to be worth INR 17,000 crore.



The Indian air cargo industry is poised for significant growth on the back of both the strength of India's economic growth and many other drivers of growth in India's commerce, trade, investment and consumption, which include significant demand from small and medium B2B segments. However, the magnifier impact of lower air freight costs is as yet not adequately seen. Logistics costs in India comprise about 13-14% of GDP as compared to 7-8% in developed countries which has also hampered the growth of air cargo logistics industry. A strong impetus has been provided through the holistic National Civil Aviation Policy 2016, which has included a number of initiatives for achieving growth of cargo volumes to 10 million tonnes by 2027. Open Sky Policy for air cargo and improved international connectivity coupled with expanding cargo-handling infrastructure, both physical and digital have sustained the high growth of air cargo in India in the last few years.

Globally, air transport is a highly dynamic industry and in this regard, the industry in India is no different. As markets evolve and customer demands change, air cargo operators must constantly review and update their operations and product offering to ensure that they continue to meet the market need.

As per the Boeing 20-Year Forecast, while global air cargo would reach 509 billion Revenue Tonne Kilometers (RTKs) by 2035 i.e. twice that seen in 2015, at an annual average rate of 4.2%, Asia will lead the growth, with domestic China, intra-Asia, and Indian market expanding at the highest rates of 6.2%, 5.5% and 6.7% p.a. respectively, as shown in the graph below:



Going forward, it is felt that the focus on improvement in the Ease of Doing Business in India coupled with landmark Government of India initiatives like 'Make in India', and 'Digital India', coupled with suitable policy, logistics, regulatory, and skills regime will all contribute to facilitating accelerated growth in air cargo. Simplification, modernization and harmonization of export and import processes as well as of the end-to-end domestic supply chains are an important issue.

Source: National Air Cargo Policy Outline, 2019, Ministry of Civil Aviation, Government of India

In aviation, air cargo always plays second fiddle to passenger traffic. The situation is no different in India, where local players have a miniscule share in air freight transportation, a space they have almost completely ceded to foreign players. But the Covid-19 crisis, while shutting down passenger transport, has shown the important role air-cargo operations play in keeping critical supply chains open. India has been forced to operate passenger aircraft to haul critical cargo, including test kits and other medical equipment. This situation has triggered a call for an Indian air-freighter fleet.

IATA, on its part, said that second-quarter 2020 revenue for aviation, expected to fall 68 per cent year-on-year, would have been far worse but for cargo operations. It is not that India never had a serious cargo play. An Indian network would lead to reduction in directional difference in traffic and lower operational costs, resulting in a reduction in freight costs. Today, the freight component in import or export is repatriated to the operator in foreign exchange, thus denying India an opportunity to retain a major portion of such earnings.

Source: <https://www.thehindubusinessline.com/economy/logistics/calls-rise-for-indian-air-cargo-fleet/article31382961.ece>

Warehousing Industry

The Indian warehouse market was worth INR 615 Billion in 2019. Warehousing involves storage of goods and merchandise in order to protect the quality and quantity of the stored products awaiting future use. It is an integral part of the logistics value chain, forming the node, which allows for collection, sorting and dissemination of goods within the supply chain.

Several factors like the country's changing tax regime, growth across major industries such as automobiles, food, agriculture, pharmaceuticals, FMCG and the emergence of organized retail have supported the growth of the warehousing industry in India.

Indian Warehouse Market: Drivers

- Export/import cargo which are the key drivers of the warehousing segment are expected to witness a strong growth in the coming years India's share in the global trade is expected to double in the next five years creating a positive impact on the warehousing market.

- Traditional growth driving sectors such as agriculture and manufacturing (textile and auto ancillary) will continue driving the demand in the coming years.
- A number of new growth drivers such as organized retail, information technology, telecommunications and healthcare are also expected to create a strong demand in the coming years.
- It is expected that a significant proportion of investments in warehousing will be made towards free trade warehousing zones (FTWZs) and logistic parks.

Source: <https://www.imarcgroup.com/india-warehouse-cold-storage-industry>

India's Warehousing Sector has shown substantial growth with absorption moving up to nearly 37 mn sq. ft. in 2019 from 32 mn sq. ft. in 2018. With consolidation in pipelines by end users and e-commerce sector, the future outlook remains positive with expected absorption growth ranging between 15% - 25% over next few years. Furthermore, the supply is in the right direction with increasing share of Grade A spaces. The inventory has reached 211 mn sq. ft. in 2019 from 170 mn sq. ft. in 2018 and is expected to cross 375 mn sq. ft. by 2023.



Warehousing absorption is gradually increasing in the tier II cities as well. The key cities include Guwahati, Lucknow, Jaipur, Indore, Nagpur, Hosur, Coimbatore, etc. The demand in these cities is primarily driven by e-commerce, 3PL & FMCG occupiers

The sector witnessed a 15% y-o-y growth in total net absorption in Grade A & B warehousing space across top eight cities namely Delhi NCR, Mumbai, Bengaluru, Kolkata, Pune, Hyderabad, Chennai and Ahmedabad. The Delhi NCR region followed by Mumbai and Bengaluru remained the top three cities in terms of warehouse space absorption in 2019. These three cities together account for more than 20 mn sq. ft of absorption. Interestingly, other cities such as Kolkata, Chennai and Pune continued their strong show.

Source: <https://www.jll.co.in/en/trends-and-insights/research/india-warehousing-and-logistics-update-2019>

Outlook

Despite being highly fragmented and dominated by unorganized players, the Indian logistics industry has shown tremendous improvement over the last decade, starting from scratch and reaching a level where the Indian logistics industry and its players today are competing with the top global players and markets. Reviving domestic demand growth, supported by government reforms, transportation sector development plans, growing retail sales, and the e-Commerce sector are likely to be the key drivers of growth for the Indian logistics industry.

The Indian air cargo industry is poised for significant growth on the back of both the strength of India's economic growth and many other drivers of growth in India's commerce. Advancements in digital technologies, changing consumer preferences due to e-Commerce, government reforms, and shift in service sourcing strategies are expected to lead the transformation of the Indian logistics ecosystem to new heights. Strong growth supported by government reforms, transportation sector development plans, growing retail sales, and the e-Commerce sector are likely to be the key drivers of the logistics industry in India.

Open Sky Policy for air cargo and improved international connectivity coupled with expanding cargo-handling infrastructure, both physical and digital have sustained the high growth of air cargo in India in the last few years. Organised warehousing is gaining traction in the Indian market as the regulatory compliance requirements and economic efficiencies demanded by contemporary businesses can only be met by this segment. The 3PL and e-commerce segments are the biggest adopters of organised warehousing and they continue to dominate the space in FY20. The share of 3PL operators has been growing steadily, fuelled by the increasing need of e-commerce logistics as well as strengthening trend of most companies outsourcing their logistics requirements to 3PL players.

Initiatives and way ahead:

1. Grant of infrastructure status to logistics, the introduction of the E-Way Bill, and GST implementation are set to streamline the logistics sector in India. Setting up of a logistics division under the Department of Commerce, technology upgrades, and development of dedicated freight corridors and logistics parks are also major moves to upgrade the logistics landscape.
2. Logistics start-ups in India gained a substantial foothold after the onset of e-Commerce, and there are several new companies that are gaining traction in the industry. Online platforms have increased competition and lowered freight costs with real-time data availability and a transparent value chain. This will help the Air cargo service providers to innovate and adapt to the transforming logistics landscape and increase the Volumes.
3. Strong macroeconomic fundamentals, growth in retail driven by rising levels of disposable income in the hands of more and more people, expansion in domestic air Network by Indian Carriers, End to End solutions by Express Service Providers, growth of new time sensitive verticals like Pharmaceuticals, Healthcare, Electronics, wireless telephony, and Automotive Spares etc. are said to be the factors responsible for the rapid growth of Domestic Air cargo logistics business.
4. The domestic air freight demand is expected to touch 1.1 million tonne by the fiscal 2025 at a compounded annual growth rate (CAGR) of 7%-9% per cent propelled by rapidly growing e-commerce activity, increasing capacity and improving airline connectivity to smaller cities, according to a research note.
5. Going forward, it is felt that the focus on improvement in the Ease of Doing Business in India coupled with landmark Government of India initiatives like 'Make in India', and 'Digital India', and new norms of "LOCAL TO GLOBAL" coupled with suitable policy, logistics, regulatory, and skills regime will all contribute to facilitating accelerated growth in air cargo.

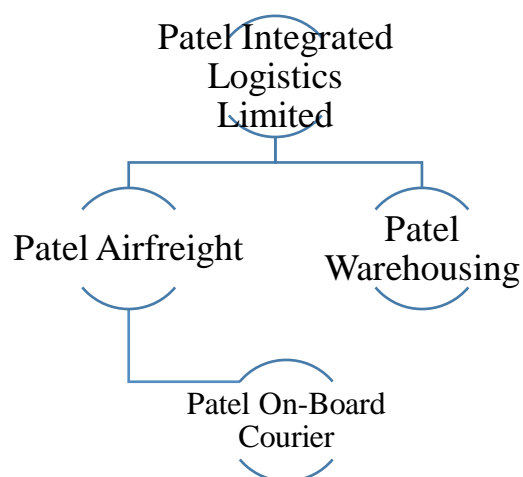
Source: India Warehousing Market Report 2020, Knight Frank

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read “Risk Factors” on page 21, for a discussion of the risks and uncertainties related to those statements, as well as “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 98 and 142, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements

Our Company was incorporated as ‘Patel Roadways Private Limited’ on June 22, 1962 as a private limited company under the Companies Act, 1956 with the Registrar of Companies, Maharashtra at Bombay and consequently a certificate of incorporation dated June 26, 1970 was issued to our Company. Our Company was converted into a deemed public company on September 20, 1988 and subsequently, pursuant to a special resolution of our Shareholders passed in an extra-ordinary general meeting dated February 07, 1990 our Company was converted into a full-fledged public limited company and subsequently, the name of our Company was changed to ‘Patel Roadways Limited’ and a fresh certificate of incorporation dated October 29, 1993, consequent to the conversion was issued to our Company by the Registrar of Companies, Maharashtra at Bombay. Pursuant to a scheme of amalgamation between Patel On-Board Couriers Limited and our Company approved by the Shareholders in their meeting dated May 19, 2006 and by the Hon’ble High Court of Judicature at Bombay vide its order dated August 11, 2006, the name of our Company was changed to ‘Patel Integrated Logistics Limited’ and a fresh certificate of incorporation dated September 26, 2006, consequent to the change of the name of our Company was issued by the Registrar of Companies, Maharashtra at Mumbai. The corporate identification number of our Company is L71110MH1962PLC012396.

We are engaged in the business of providing logistics services and unified solutions focusing on air transportation and surface transportation as well as ancillary services such as courier services and warehousing. We operate our business through a pan-India network comprising 24 branch offices and presence across India covering major cities/towns/airports. The business of our Company is bi-furcated into the following divisions:



In the year 1994, our Company through an initial public offering of 20,00,000 Equity Shares at a price of ₹ 45 per Equity Shares aggregating to ₹ 9,00,00,000 listed its Equity Shares on BSE Limited, Delhi Stock Exchange Limited, Ahmedabad Stock Exchange Limited, Madras Stock Exchange Limited and Calcutta Stock Exchange Limited. Subsequently, in the year 2008, the Equity Shares of our company were listed on National Stock Exchange Limited. Currently our Company is listed on BSE, NSE and CSE. The market capitalization of our Company as on December 17, 2020 on BSE is ₹ 47.38 cr.

Until 2019, we were providing unified logistic solutions through road/surface and sea transportation, including premium door to door Express Cargo Service. In FY 2019-20, our Company executed a business transfer agreement dated June 28, 2019 with Innovative Logistics Service Private Limited, a wholly owned subsidiary of

Stellar Value Chain Solutions Private Limited and sold its surface transport business, on a going concern basis by way of a slump sale, together with assets, liabilities, contracts, rights, obligations, employees relating to the said undertaking to Innovative Logistics Service Private Limited for a lump sum consideration of ₹ 3,850 lakhs.

Our Areas of Business Operations:

1. Air Freight

The Air Freight division of our Company was launched in the year 2004 as an International Freight Forwarding division. It has been certified by International Air Transport Association (“IATA”) and undertakes cost-effective transportation of all types of permitted commodities. Our Company also offers value-added services such as customs clearance and doorstep delivery wherever permissible. We are also a member of Global Logistics Network (“GLN”), which is headquartered in New Jersey, USA, with a worldwide membership of 136 members across 60 countries.

Under the Air Freight business, our Company focuses on the following B2B areas:

- a. Domestic air courier
- b. Domestic cargo consolidation
- c. International cargo consolidation

2. Courier Service

Under the current airfreight business and the erstwhile surface transport business, our Company is providing B2C services catering to the courier requirements of businesses on a daily basis. This division, which is currently engaged in providing services as a wholesale consolidator involved in the delivery of courier material on a routine basis. The operation involves pick-up of the courier materials from other courier companies and delivering it on their behalf to various destinations throughout India.

3. Warehousing

Our Company provides services in the warehousing vertical like storage, distribution, stock and vendor management etc. Our Company presently owns a warehouse facility which is operational on 2.20 acres of land on the outskirts of Bengaluru. Our Company also owns 3 acres of land on the outskirts of Chennai. The Company proposes to use this land for construction of warehouse at a suitable time in the future.

Our divisional revenue break-up during the past 3 financial years is stated below:

		(₹ Lacs)							
		Q1 FY 21		FY 20		FY 19		FY 18	
Particulars	Revenue	%	Revenue	%	Revenue	%	Revenue	%	
Surface	--	--	2,947.21	8.48%	12,564.70	28.06%	15,224.89	35.94%	
Transport									
Air Freight	1,588.09	100.00%	31,771.41	91.45%	32,115.84	71.73%	27,014.68	63.76%	
Warehousing	--	--	22.30	0.06%	94.29	0.21%	128.28	0.30%	
Revenue from operations	1,588.09	100.00%	34,740.93	100.00%	44,774.83	100.00%	42,367.85	100.00%	

Our Competitive Strengths

Experienced management team

We are led by a group of individuals, having background and experience in the logistics industry. Our management comprises of professionals who have the requisite academic background and relevant experience in business management, commerce, etc. They hold qualifications in engineering, business management and accounting. Asgar Shakoor Patel, our Promoter is one of the founding members of our Company and has a vast experience of more than five decades. He was associated with our Company in the capacity of a Director until April 18, 2019 and is presently acting as our Chairman Emeritus and guides us on critical corporate and administrative affairs, financial operations, expansion activities, business development and management of overall business.

Our team is well qualified and experienced in the industry to which our Company caters and has been responsible for the growth of our operations. We believe the stability of our management team and the industry experience brought in coupled with their strong repute, will enable us to continue to take advantage of future market opportunities and expand into new markets. For further details of the educational qualifications and experience of our management team and our Key Managerial Personnel please refer the chapter titled “*Our Management*” beginning on page 85 of this Draft Letter of Offer.

Pan India and presence in key markets

Our Company has a long-standing market presence and operating history of more than five decades. Our Company operates its business through a pan-India network comprising of 24 branch offices and also has a presence across India covering major cities/towns/airports. Our market presence at important locations is critical for increasing of market share, increase in business, widening our customer base, enhancing our service standards and enhancing the reputation of our Company.

Quality Assurance

Our Company has always focused on providing quality services to our customers. This is necessary in order to ensure we retain our existing customers and widen our customer base by providing assurance, reliability and responsive services to our customers. We ensure the protection, security and tracking of the goods of our customers. Our ability to ensure timely delivery and quality service has helped us build our reputation and ensure further expansion of our business. We endeavor to maintain the quality of our services and follow strict procedures to ensure quality services and timely delivery at competitive rates.

Business Strategies

We intend to pursue the following principal strategies to leverage our competitive strengths and grow our business:

Continue to establish new warehouses

We intend to widen our network and market reach by establishing new warehouses. At present, only the state of Karnataka and other adjacent states are accessible from our existing warehouse situated in Bengaluru. Our Company has recently acquired 3.00 acres of land in Chennai for construction of a warehouse facility, which is proposed to be constructed in compliance with industry standards of quality, safety, design and scalability. We will continue to focus on increasing the utilization of our new warehouses by widening our customer base and market reach.

Improving Operational efficiencies

Our Company intends to improve its operational efficiencies to achieve cost reductions and to have a competitive edge over our peers. We believe the way forward for achieving this strategy is through continuous process improvement, providing efficient customer service and technology development. We carry out regular analysis of our existing policies adopted for providing air freight and warehousing services to identify the problems in our services and devise effective solutions for the same. This helps us in improving the efficiency and making optimal utilization of our resources.

Quality Assurance

Our Company intends to continue its focus on providing uncompromised service excellence to our customers. This is necessary in order to ensure we retain our existing customers and widen our customer base by providing assurance, reliability and responsive services to our customers. We ensure the protection, security and tracking of the goods of our customers. Our ability to provide timely delivery and quality service is key to our reputation and further expansion of our business. We endeavor to maintain the quality of our services and follow strict procedures to ensure quality services and timely delivery at competitive rates.

Widening our customer base by entering into new geographies

We intend to cater to the increasing demand of our existing customers by widening our market reach to areas in which we do not operate currently. Our emphasis is on expanding the scale of our operations as well as growing our network, which we believe will provide opportunities to grow our client base increase our market share,

revenues and profitability. The domestic market offers various opportunities in term of sub-geographic penetration and market diversification which we intend to seize and increase our market share by exploring untapped markets and segments by innovating value added services in line with the demand of our customers. We shall also continue to explore opportunities in different regions to enhance our geographical reach.

Continue to focus on enhancements in technology

In view of the increasing prominence of information and technology systems and other internal processes in the logistics industry, we are strengthening our IT system to improve reliability and efficiency of our business operations and strengthen our competitive position. In order to meet our customer’s requirements, we may invest in specific technology applications software that will enhance the quality and efficiency of our services.

Subsisting collaborations, any performance guarantee or assistance in marketing by the collaborators, infrastructure facilities for raw materials and utilities like water, electricity, etc.

Our Company does not have any collaborations or any marketing assistance from any collaborators. Our company is a service provider and is not a manufacturer, hence other than the usual office facilities, we do not require any facilities that maybe required in a manufacturing set-up.

Sales and Marketing

Our Company has an operating history of more than five decades and over the years, we have developed our client base in the areas where we operate. The management is in constant contact with our clients for their business requirements and service feedbacks. We also employ business development managers who constantly scan the market for opportunities under the guidance of our top management. We prefer not to use any television or print media to advertise our business services and most of our services are marketed by word of mouth by our existing customers.

Collaborations

As on the date of this Draft Letter of Offer, we have not entered into any technical or other collaboration arrangements.

Human Resources

We believe our employees are one of our most important assets and critical to maintaining our competitive position in our key geographical markets and in our industry. As on September 30, 2020 we had 299 full time employees. The following table sets forth a bifurcation of the number of our employees as of September 30, 2020:

Sr. No.	Description	No. of Employees
1	Promoter Management	Nil
2	Top Management	16
3	Corporate support staff (Accounts, Secretarial, office staff)	57
4	Business staff	178
5	Others	48
	Total	299

Competition

We face competition from various domestic and international players of varying sizes, operations and financial resources. We compete with other service provider on the basis of service quality, price and reliability. Our major competitors in the listed space are TCI Express and VRL Logistics. There are also a sizeable number of unorganized players in the logistics industry that our Company has to compete against.

Corporate Social Responsibility

We as a responsible corporate citizen are committed to take up different developmental projects, as part of our Corporate Social Responsibility (“CSR”) initiatives towards improving the quality of lives of the underprivileged sections of the society and other stakeholders. Our CSR strategies are aligned to national priorities to meet the

basic needs of the local community. Our CSR policy defines the framework for implementing CSR activities in compliance with Section 135 of the Companies Act, 2013 and rules framed thereunder. The CSR committee has been constituted as per the applicable act. We demonstrate our commitment towards our communities by committing our resources and energies to social development and we have aligned our CSR programs with legal requirements under the applicable Indian laws. In furtherance of the same, we regularly undertake CSR activities through donations to Rotary Club of Bandra Charitable Trust, which is a charitable trust registered with Charity Commissioner of Mumbai and engaged in projects related to upliftment of downtrodden for last 25 years. We have spent an amount of ₹ 9.88 lacs towards our CSR initiatives during FY 2020.

Insurance

We maintain availed standard fire and special perils policy which insures building, furniture, fittings, electrical installation, office equipment, stationery, meter wires, cables, godown, transported godown, meeting rooms, building superstructure, any other office contents, from earthquake, fire, shock, terrorism, etc.; marine cargo open policy insures All good that are taken by airlines under their rules and regulations which shall not include hazardous goods; portable equipment insurance policy insures laptops and air conditioners from electrical or mechanical breakdown; money insurance policy, motor secure insurance policy, auto secure private car package policy and motor secure insurance policy insure any person including the insured provided that a person driving holds an effective driving license at the time of the accident and is not disqualified from holding or obtaining such a license. We have also availed insurance policies such as fidelity guarantee insurance policy, group medical policy and group personal accident insurance policy for our employees. We have also availed various insurance policies to cover our vehicles at our offices.





Capacity and Capacity Utilization

We are engaged in logistics/service industry and do not have any existing manufacturing facility. Therefore any data relating to capacity and capacity utilization is not applicable to our Company.

Intellectual Property

Trademark:

Our Company owns the following trademarks:

S. No.	Particulars of the mark	Number	Class	Valid upto
1.		3652617	39	October 09, 2027
2.		3652620	39	October 09, 2027
3.		3652618	39	October 09, 2027
4.		3652619	39	October 09, 2027

Property

We carry out business operations from the following properties:

a) *Freehold property:*

Sr. No.	Particulars of the Property	Usage
1.	Unit No 607, Avenue Shelter, Marol, Andheri East, Mumbai – 400059 (POBC Division), Area: 631	Given on lease
2.	Unit No 608, Avenue Shelter, Marol, Andheri East, Mumbai – 400059 (POBC Division)Area: 631	Given on lease
3.	Unit No 609, Avenue Shelter, Marol, Andheri East, Mumbai – 400059 (POBC Division), Area: 790	Given on lease
4.	Unit No 610, Avenue Shelter, Marol, Andheri East, Mumbai – 400060 (POBC Division), Area: 635	Given on lease

Sr. No.	Particulars of the Property	Usage
5.	Unit No 611, Avenue Shelter, Marol, Andheri East, Mumbai – 400060 (POBC Division), Area: 604	Given on lease
6.	Jumbo Darshan, Andheri, Mumbai (POBC Division), Area: 330	Used for business
7.	Adarsh Industrial Premises, Andheri, Mumbai (POBC Division), Area: 1032	Used for business
8.	The Crescent Business Park, Andheri, Mumbai (POBC Division), Area: 680	Used for business
9.	5th Floor, Patel House, 48, Gazdar Bandh, North Avenue Road, Santacruz, Mumbai – 400054 (Non POBC Division), Area: 1615	Given on lease
10.	6th Floor, Patel House, 48, Gazdar Bandh, North Avenue Road, Santacruz, Mumbai – 400054 (Non POBC Division), Area: 1615	Used for business
11.	Ground Floor, Patel House, 48, Gazdar Bandh, North Avenue Road, Santacruz, Mumbai – 400054 (Non POBC Division), Area: 1475	Used for business
12.	1st Floor, Patel House, 48, Gazdar Bandh, North Avenue Road, Santacruz, Mumbai – 400054 (Non POBC Division), Area: 1726	Used for business
13.	2nd Floor, Patel House, 48, Gazdar Bandh, North Avenue Road, Santacruz, Mumbai – 400054 (Non POBC Division), Area: 1726	Given on lease
14.	Basement, Patel House, 48, Gazdar Bandh, North Avenue Road, Santacruz, Mumbai – 400054 (Non POBC Division), Area: 3193	Used for business
15.	1st Floor, Natasha, 52, Hill Road, Bandra Mumbai – 400050 (Non POBC Division), Area: 5347	Used for business
16.	Car Parking, Ground Floor, Natasha, 52, Hill Road, Bandra Mumbai – 400050 (Non POBC Division).	Used for business
17.	Unit No 601, Avenue Shelter, Marol, Andheri East, Mumbai – 400059 (Non POBC Division), Area: 467.5	Given on lease
18.	Unit No 602, Avenue Shelter, Marol, Andheri East, Mumbai – 400059 (Non POBC Division), Area: 467.5	Given on lease
19.	Unit No 603, Avenue Shelter, Marol, Andheri East, Mumbai – 400059 (Non POBC Division), Area: 467.5	Given on lease
20.	Unit No 604, Avenue Shelter, Marol, Andheri East, Mumbai – 400059 (Non POBC Division), Area: 467.5	Given on lease
21.	Unit No 605, Avenue Shelter, Marol, Andheri East, Mumbai – 400059 (Non POBC Division), Area: 467.5	Given on lease
22.	Unit No 606, Avenue Shelter, Marol, Andheri East, Mumbai – 400059 (Non POBC Division), Area: 467.5	Given on lease
23.	307-310, Vinayak Arcade, 3rd Floor, opposite. Bajaj Auto Limited Pune, Maharashtra 411035 (Non POBC Division), Area: 2650	Used for business
24.	No 101-105, 1st Floor, Parijat Garden Commercial Complex, GB road, Kasarwadawali, Thane, Maharashtra 400607 (Non POBC Division), Area: 2395	Used for business
25.	Jupiter Landmark, Apartment no. E4-001, Landmark Dreamz, Singapura Village, Bangaluru -560097 (Non POBC Division), Area: 910	Given on lease
26.	Jupiter Landmark, Apartment no. E2-002, Landmark Dreamz, Singapura Village, Bangaluru -560097 (Non POBC Division), Area: 910	Given on lease
27.	Jupiter Landmark, Apartment no. E2-204, Landmark Dreamz, Singapura Village, Bangaluru -560097 (Non POBC Division), Area: 910	Given on lease
28.	Jupiter Landmark, Apartment no. E3-304, Landmark Dreamz, Singapura Village, Bangaluru -560097 (Non POBC Division), Area: 910	Given on lease
29.	Jupiter Landmark, Apartment no. E2-302, Landmark Dreamz, Singapura Village, Bangaluru -560097 (Non POBC Division), Area: 910	Given on lease
30.	Jupiter Landmark, Apartment no. E4-002, Landmark Dreamz, Singapura Village, Bangaluru -560097 (Non POBC Division), Area: 910	Given on lease

Sr. No.	Particulars of the Property	Usage
31.	Jupiter Landmark, Apartment no. E3-301, Landmark Dreamz, Singapora Village, Bangaluru -560097 (Non POBC Division), Area: 910	Given on lease
32.	Jupiter Landmark, Apartment no. E3-002, Landmark Dreamz, Singapora Village, Bangaluru -560097 (Non POBC Division), Area: 910	Given on lease
33.	Jupiter Landmark, Apartment no. E1-003, Landmark Dreamz, Singapora Village, Bangaluru -560097 (Non POBC Division), Area: 910	Given on lease
34.	Jupiter Landmark, Apartment no. E4-201, Landmark Dreamz, Singapora Village, Bangaluru -560097 (Non POBC Division), Area: 910	Given on lease
35.	Jupiter Landmark, Apartment no. E4-304, Landmark Dreamz, Singapora Village, Bangaluru -560097 (Non POBC Division), Area: 910	Given on lease
36.	BGTA Wadala Truck Terminal, Sion, Mumbai, Maharashtra 400037 (Non POBC Division), Area: 800	Given on lease
37.	Srikakulam District, Icchapuram, AP (Non POBC Division), Area: 435	Not presently in use
38.	Plot no.137,first floor Transport nagar, Ludhiana, Punjab 141003 (Non POBC Division), Area: 250	Not presently in use
39.	Survey No 325, Part Upparapalayam, Alamathi II Village, Ponneri Taluka, Thiruvallur District, Tamil Nadu – 628771 (Non POBC Division), Area: 136710 sqft	Not presently in use

b) *Leasehold property:*

Sr. no.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
1.	Rental Agreement executed on March 16, 2019 between Ranjana Singh and Susmita Singh (“ Landlord ”) and our Company (“ Tenant ”).	Plot no. B-12, Municipal Holding No. RGM-2649-A/S/83/03, Teghoria, chinarpark, Kolkata - 700157. Area: 1200	Security Deposit : ₹1,00,000 Rent of ₹ 12,650/- per month	A period of 3 years commencing from February 01, 2019	Used for Business
2.	Rental Agreement executed on April 01, 2018 between Mr. Manish Kumar (“ Landlord ”) and our Company (“ Tenant ”).	251/F, A block, Extn road no 6 Mahipalpur, New Delhi 110037 Area: 3000 sqft	Security Deposit of the Plot: ₹2,80,000/- Rent of ₹ 1,54,136/- per month	A period of 3 years commencing from April 01, 2018	Used for Business
3.	Rental Agreement executed on October 01, 2020 between Mr. Naresh Kumar (“ Landlord ”) and our Company (“ Tenant ”).	251/F, A Block, Extn Road No 6. Third Floor, Mahipalpur, New Delhi 110037 Area: 20*12 sqft	Security Deposit of ₹12,000/- Rent of ₹ 10,620/- per month	A period of 12 months commencing from October 01, 2020	Used for Business
4.	Rental Agreement executed on April 01, 2020 between Mr. Shankar (“ Landlord ”) and our Company (“ Tenant ”).	D-28, Shree Ghantakarn Mahavir Complex, Sarangpur Ahmedabad Area: 314	Rent of ₹ 3,10,000/- per annum	A period of 12 months commencing from April 01, 2020	Used for Business
5.	Rental Agreement executed on July 01, 2020 between Mr. Piyush Thakkar (“ Landlord ”) and our Company (“ Tenant ”).	E-107, Shree Ghantakaran Mahavir Commercial Market, Near New Cloth Market, Sarangpur, Ahmedabad – 380002 Area: 314	Rent of ₹ 1,50,000 p.a.	A period of 12 months commencing from July 01, 2020	Used for Business

Sr. no.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
6.	Lease Deed executed on April 16, 1992 between Mr. Anilbhai . N. Jariwala (the “Lessor”) and our Company (the “Lessee”)	Plot No A/15, Sardar Patel Road, Road No 9, Udhna, Surat – 394210 Area: 900 sqft	Rent of ₹ 1,260/- per month	A period of 5 years from April 16, 1992	The property is under dispute and our Company is depositing rent with the Court.
7.	Rental Agreement executed on January 01, 2019 between Mr. Kasinath Ganpatrao Sonawane (“Landlord”) and our Company (“Tenant”).	76, Somwar Peth, Sonawane Bldg, Trishund Ganpati Mandir, Opp. Kamal Nehru Hospital, Pune-411040 Area: 140	Security Deposit of ₹30,000/- Rent of ₹7,500/- per month	A period of 3 years commencing from January 01, 2019	Used for Business
8.	Rental Agreement executed on January 01, 2019 between Mr. Datta Shankar Yadav (“Landlord”) and our Company (“Tenant”).	162/2A, Lane No.2, Plot No.4,Shop No.1, Adarsh Colony,Tingere Nagar, Airport Road, Vishrantwadi, Pune-411015 Area: 240	Security Deposit of ₹50,000/- Rent of ₹10,800/- per month	A period of 3 years commencing from January 01, 2019	Used for Business
9.	Rental Agreement executed on July 01, 2020 between Mrs. Harishka Sampath / Hitendra Samath (“Landlord”) and our Company (“Tenant”).	Shop No.5, 196-A, Gr Floor, Tara House, Dr.Viegas Street, Chira Bazar, Mumbai - 400 002 Area: 225	Rent of ₹3,60,000/- per annum	A period of 12 months commencing from July 01, 2020	Used for Business
10.	Rental Agreement executed on June 01, 2016 between E.Sankaralingam (“Landlord”) and our Company (“Tenant”).	Chennai Airport office - Old no.185 new no 35 Medavakkam Main Road Adambakkam, Chennai 600 088 Area: 1400	Security Deposit of ₹2,50,000/- Rent of ₹51,659/- per month	A period of 4.5 years commencing from June 01, 2016 till December 31, 2020	Used for Business
11.	Rental Agreement executed June 02, 2018 between V.S. Bhaskar (“Landlord”) and our Company (“Tenant”).	Chennai Egmore office- NO. 84/1 Poosala Gengu Reddy Street, Egmore Chennai 600008 Area: 450	Security Deposit of ₹2,50,000/- Rent of ₹33,063/- per month	A period of 3 years commencing from February 15, 2018	Used for Business
12.	Rental Agreement executed on March 28, 2019 between Mr. Sundar (“Landlord”) and our Company (“Tenant”).	Chennai Paris Office- 216 Rattan Bazar, Chennai 600 003 Area: 20	Security Deposit of ₹12,000/- Rent of ₹3,100/- per month	A period of 3 years commencing from February 15, 2018	Used for Business
13.	Rental Agreement executed on June 10, 2020 between Muthukumar A. (“Landlord”) and our Company (“Tenant”).	Coimbatore Airport office- NO.4 Alagu Nagar, Civil Aerodrome Post, Coimbatore 641014 Area: 100	Security Deposit of ₹ 37,500/- Rent of ₹4,537/- per month	A period of 11 months commencing from June 01, 2020	Used for Business
14.	Rental Agreement executed on June 15, 2020 between R. Tamilselvi (“Landlord”) and our Company (“Tenant”).	Coimbatore Office- No.15, Sri Thirupathi Venkatachalapathi Nagar, Avinashi Road, Peelamedu, Coimbatore - 641004. Area: 750	Security Deposit of ₹1,50,000 Rent of ₹14,000 per month	A period of 3 years commencing from July 01, 2020	Used for Business

Sr. no.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
15.	Rental Agreement executed on November 05, 2020 between Mrs. G.Vijayalakshmi & Mr. Venkateshwar Reddy (“ Landlord ”) and our Company (“ Tenant ”).	No.1-8-506/19, Prakash Nagar, Begumpet, Hyderabad – 500016 Area: 1200	Security Deposit of ₹55,500/- Rent of ₹18,500/- per month	A period of 11 months commencing from July 01, 2020	Used for Business
16.	Lease Deed executed on May 15, 2019 between Mrs.Asma Razak & Mr.Abdul Rasak (the “ Lessor ”) and our Company (the “ Lessee ”).	Door No.66/10112, Arangath Road, Cochin – 682018 Area: 750	Security Deposit of ₹1,00,000/- Rent of ₹20,000/- per month	A period of 3 years commencing from May 18, 2019 to May 15, 2022	Used for Business
17.	Lease Deed executed on August 21, 2020 between Renown Hotels & Resorts Pvt Ltd (the “ Lessor ”) and our Company (the “ Lessee ”).	Bangalore Residence Office-Renown Hotels & Resorts pvt ltd, Gold Tower No 50,Residency, Road Bangalore-560 025 Area: 660	Security Deposit of ₹ 3,30,000/- Rent of ₹ 28,014/- per month	A period of 11 months commencing from July 01, 2020	Used for Business
18.	Lease Deed executed on October 16, 2020 between K. Balakrishnan (the “ Lessor ”) and our Company (the “ Lessee ”).	Bangalore Operation Office-No.54, S.G.Narayana Layout, 2nd cross, Lalbagh Road (Opp to passport office), Bangalore - 560027 Area: 1100	Security Deposit of ₹ 3,00,000/- Rent of ₹ 30,000/- per month	A period of 11 months commencing from October 15, 2020 to September 14, 2021	Used for Business
19.	Lease Deed executed on March 31, 2017 between Karnataka Industrial Development Board (the “ Lessor ”) and our Company (the “ Lessee ”).	Survey no 181/B, Avverahalli Industrial Area, Debaspeta, Neelamangala Taluka , Bangalore, Karnataka – 561123 (Non POBC Division) Area: 90000 sqft	Maintenance Charges of ₹ 11,000/- Rent of ₹ 2,200/- per annum	A period of 99 years with effect from March 31, 2017	Given on lease

OUR MANAGEMENT

Our Board of Directors

Our Articles of Association require us to have not less than three (03) and not more than fourteen (14) Directors. As on date of this Draft Letter of Offer, we have six (06) Directors on our Board, which includes, one (01) Whole-time Director, one (01) Additional (Executive) Director and four are (04) Independent Directors, one of whom is also the woman director of our Company.

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

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p>Syed Khurshid Husain</p> <p>DIN: 03010306</p> <p>Date of Birth: December 15, 1945</p> <p>Designation: Chairman and Whole- time Director</p> <p>Address: 101, Ebony CHS, 14th Road, Near Mumbai Blue, Bandra (West), Mumbai-400 050, Maharashtra, India.</p> <p>Occupation: Professional</p> <p>Term: For a period of three (03) years w.e.f. August 02, 2019</p> <p>Nationality: Indian</p>	74	<ul style="list-style-type: none"> i. Patel Real Estate Developers Private Limited ii. Natasha Constructions Private Limited iii. Patel Holdings Limited iv. Wall Street Derivatives and Financial Services (India) Private Limited v. Wall Street Securities and Investments (India) Limited vi. Natasha Construction Projects Private Limited
<p>Hari Venugopal Nair</p> <p>DIN: 02362137</p> <p>Date of Birth: May 10, 1967</p> <p>Designation: Additional (Executive) Director</p> <p>Address: A-401, Silverarch Spring CHSL, Ceaser Road, Amboli, Andheri (West), Mumbai – 400 058, Maharashtra, India.</p> <p>Occupation: Professional</p> <p>Term: Liable to retire by rotation</p> <p>Nationality: Indian</p>	53	<ul style="list-style-type: none"> i. Deliverix India Limited
<p>Farukh Soli Wadia</p> <p>DIN: 00097162</p> <p>Date of Birth: February 19, 1965</p> <p>Designation: Independent Director</p> <p>Address: 3/6 Rustom Baug, Sant Savta Marg, Byculla, Mumbai – 400 027, Maharashtra, India.</p> <p>Occupation: Business</p> <p>Term: For a period of five (05) years w.e.f. August 21, 2019.</p>	55	<ul style="list-style-type: none"> i. Deliverix India Limited

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
Nationality: Indian		
Vilas Pandurang Unavane	61	
DIN: 02929561		i. Novo Technology and Trading Private Limited ii. Sunsai Media Developers Private Limited
Date of Birth: August 21, 1959		
Designation: Independent Director		
Address: 802/A, Matoshree Pearl, Near Kakad Industrial Estate, Off L.J. Road, Mahim, Sitaram Keer Marg, Mumbai – 400 016, Maharashtra, India.		
Occupation: Professional		
Term: For a period of five (05) years w.e.f. February 09, 2016		
Nationality: Indian		
Jasmine Divyesh Mehta	52	
DIN: 05220159		i. P.B. Engineering Works Private Limited ii. Patel Holdings Limited
Date of Birth: June 13, 1968		
Designation: Independent Director		
Address: Next to Hanuman Mandir, 8 Rishi Dayanand Society, Dadabhai Cross Road No. 3, Vile Parle (West), Mumbai – 400 056, Maharashtra, India.		
Occupation: Professional		
Term: For a period of one (01) year w.e.f. December 04, 2019		
Nationality: Indian		
Ramakant Krishnajirao Kadam	63	
DIN: 03575629		Nil
Date of Birth: October 09, 1957		
Designation: Independent Director		
Address: A-5 Divine Light Co Op Hsg Soc., 137-139, Near Sangam Cinema, A.K. Road Chakala MIDC, Andheri (East), Mumbai – 400 093, Maharashtra, India.		
Occupation: Business		
Term: For a period of one (01) year w.e.f. June 30, 2020		
Nationality: Indian		

Brief Biographies of our Directors

Syed Khurshid Husain, aged 74 years, is the Chairman and Whole-time Director and Vice Chairman of our Company. He holds a bachelor's degree in science (engineering) from Aligarh Muslim University and a master's degree in science (management) from University of Madras. He has over 37 years of experience in various fields

like Transportation of Goods, Logistics and Distribution, Engineering, Exports, Construction and General Management. He has been associated with our Company since 2013 and ensures effective functioning of our Company.

Hari Venugopal Nair, aged 53 years, is the Additional (Executive) Director of our Company. He holds a bachelor's degree in arts (economics) from University of Bombay. He has an experience of over 18 years in marketing, sales and business management and has been associated with our Company since 2002. He was appointed as the Additional (Executive) Director of our Company in the meeting of the Board of Directors dated December 22, 2020.

Farukh Soli Wadia, aged, 55 years, is the Independent Director of our Company. He holds a bachelor's degree in commerce from University of Bombay. He is a businessperson who experience in the fields of automobiles, dealership, finance and couriers. He has been associated with our Company as an Independent Director since 2014.

Vilas Pandurang Unavane aged, 61 years, is an Independent Director of our Company. He holds a bachelor's degree in commerce and a degree in law from University of Bombay. He has cleared the final examination held by the Institute of Company Secretaries of India and is an associate member of Institute of Company Secretaries of India. He has also cleared the final examination held by the Institute of Cost and Works Accountants of India, Institute of Company Secretaries of India and is a fellow member of the Institute of Chartered Accountants of India. Has more than 37 years of rich experience in the field of Treasury Management, Commercial Banking, Corporate Legal, Risk Management, Audit, Secretarial, and has handled various assignments in Green Field Projects, Revival, Business assessment, equity placement, JV and, ERP. He holds directorship in Novo Technology and Trading Private Limited and Sunsai Media Developers Private Limited. He has been associated with our Company since 2016.

Jasmine Divyesh Mehta, aged, 52 years, is an Independent Director of our Company. She holds a bachelor's degree in commerce from University of Bombay and has successfully cleared all sections of the uniform CPA examination from the United States of America. She is an associate member of the Institute of Chartered Accountants of India and is currently working as an Associate Professor in Sydenham College of Commerce & Economics. She has also worked with Reliance Capital Limited. She has expertise in the field of Accounts and Finance, Income Tax and Audit. She was appointed as an Additional Independent Director of our Company with effect from December 04, 2019. In the fifty eighth Annual General Meeting, her appointment was regularized as an Independent Director for a further period of one year with effect from December 04, 2019.

Ramakant Krishnajirao Kadam, aged 63 years, is an Independent Director of our Company. He holds a bachelor's degree in commerce from University of Bombay. He is an international human resources & administration management professional with more than 35 years of outstanding multifaceted experience. He was appointed as an Additional Independent Director of our Company with effect from June 30, 2020. In the fifty eighth Annual General Meeting, his appointment was regularized as an Independent Director for a further period of one year with effect from June 30, 2020.

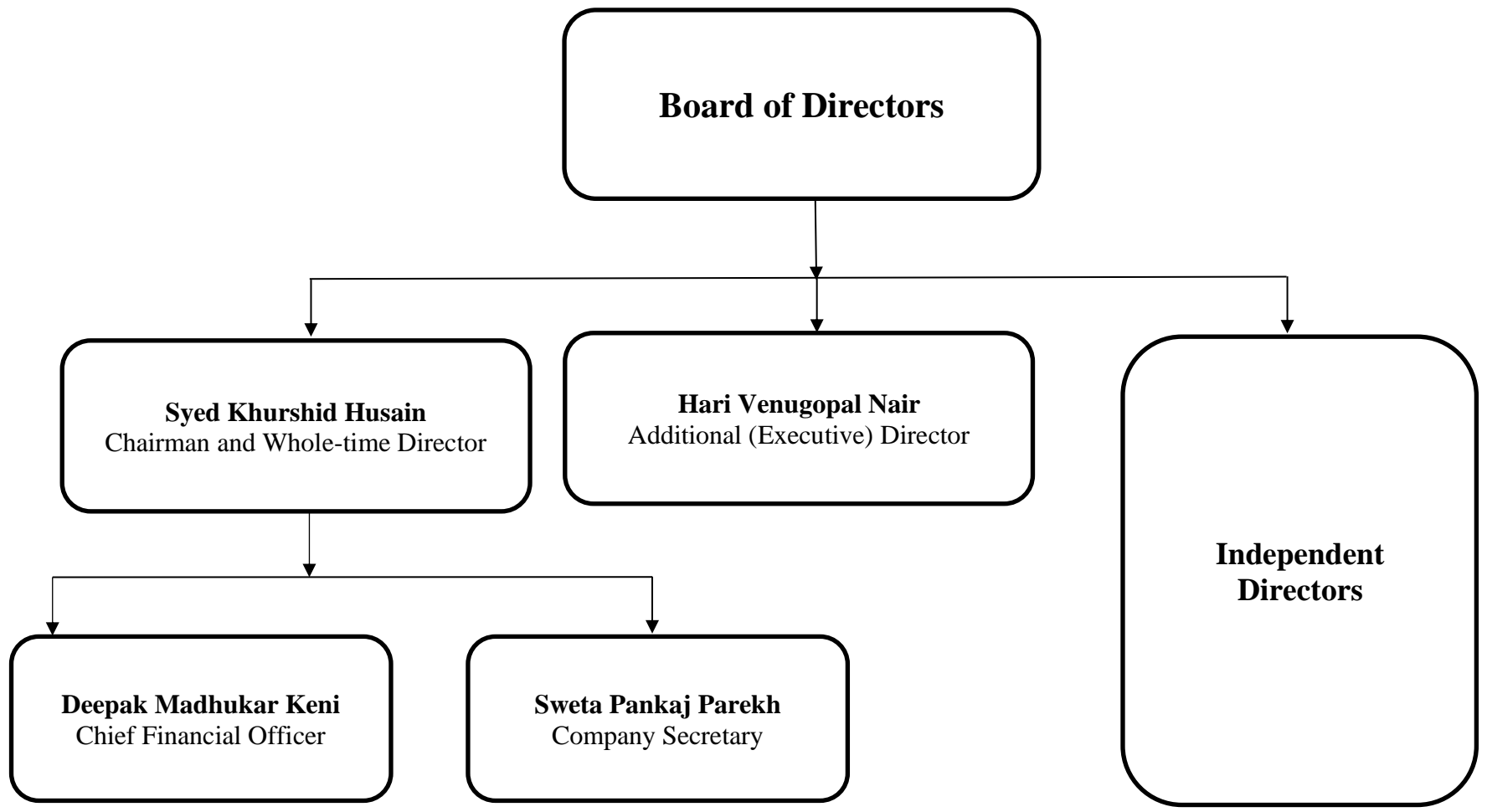
Confirmations

1. Neither Company nor our Directors are declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, and have not been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
2. None of the Directors of our Company have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Draft Letter of Offer, during the term of his/ her directorship in such company:
3. None of our Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past.
4. None of our Directors have been debarred from accessing capital markets by the Securities and Exchange Board of India. Additionally, none of our Directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.

5. None of our Directors have been identified as a wilful defaulter, as defined in the SEBI Regulations and there are no violations of securities laws committed by them in the past and no prosecution or other proceedings for any such alleged violation are pending against them:

Management Organization Structure

Set forth is the organization structure of our Company:



Corporate Governance

The provisions of the SEBI Listing Regulations and the Companies Act with respect to corporate governance are applicable to us.

We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, Companies Act and the SEBI (ICDR) Regulations, in respect of corporate governance including constitution of our Board and Committees thereof. Our corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act. Our Board functions either directly, or through various committees constituted to oversee specific operational areas.

Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- a) Audit Committee;
- b) Stakeholders' Relationship Committee;
- c) Share Transfer Committee;
- d) Nomination and Remuneration Committee;
- e) Corporate Social Responsibility Committee; and

Details of each of these committees are as follows:

a. Audit Committee

Our Audit Committee was last reconstituted by our Board of Directors in their meeting held on February 13, 2020 with the following members forming a part of the said Committee:

Sr. No.	Name of Member	Designation
1.	Vilas Pandurang Unavane	Chairman
2.	Farukh Soli Wadia	Member
3.	Syed Khurshid Husain	Member

The Company Secretary acts as the secretary of the Audit Committee.

The scope, functions and the terms of reference of our Audit Committee, is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations which are as follows:

1. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval with particular reference to Matters required to be included in the Director's Responsibility Statement, 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 and Qualifications in the draft audit report;

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders in case of non-payment of declared dividends and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower.
22. Reviewing the Management Discussion and Analysis of the financial condition and results of operations;
23. Reviewing the statements of significant related party transactions submitted by the management;
24. Reviewing management letters/letters of internal control weaknesses issued by the statutory auditors and ensuring suitable follow-up thereon;
25. Reviewing internal audit reports relating to internal control weaknesses;
26. Reviewing the appointment, removal and terms of remuneration of the chief internal auditor of the Company; and
27. Reviewing statement of deviations:

- a) quarterly 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 offer document/prospectus/notice in terms of Regulation 32(7).

As required under the SEBI Listing Regulations, the Audit Committee shall meet at least four times a year with maximum interval of four months between two meetings and the quorum for each meeting of the Audit Committee shall be two members or one third of the members, whichever is greater, provided that there should be a minimum of two independent directors present.

b. Stakeholders Relationship Committee

Our Stakeholders Relationship Committee was last reconstituted on October 17, 2019. The members of the said Committee are as follows:

Sr. No.	Name of Member	Designation
1.	Hari Venugopal Nair	Chairman
2.	Syed Khurshid Husain	Member
3.	Farukh Soli Wadia	Member

The Company Secretary acts as the secretary of the Stakeholders Relationship Committee.

The scope and function of the Stakeholders Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations and the terms of reference, powers and scope of the Stakeholders Relationship Committee of our Company include:

1. 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.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. 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; and
4. 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.

As required under the SEBI Listing Regulations, the Stakeholders Relationship Committee shall meet at least once a year, and the chairperson of the committee shall be present at the annual general meetings to answer queries of the security holders. The quorum of the meeting shall be either two members or one third of the members of the committee whichever is greater, including at least one independent director in attendance.

c. Share Transfer Committee

Our Share Transfer Committee was last reconstituted on February 13, 2020. The members of the said Committee are as follows:

Sr. No.	Name of Member	Designation
4.	Syed Khurshid Husain	Chairman
5.	Hari Venugopal Nair	Member
6.	Farukh Soli Wadia	Member

The Company Secretary acts as the secretary of the Share Transfer Committee.

The scope and function of the Share Transfer Committee and the terms of reference, powers and scope of the Share Transfer Committee of our Company include:

1. To approve transfer of shares;
2. To approve transmission and transposition of shares;
3. To approve Name addition/deletion; and
4. To approve Issue of Duplicate share certificates to the shareholders.

The Share Transfer Committee shall meet at least once a year, and the chairperson of the committee shall be present at the annual general meetings to answer queries of the security holders. The quorum of the meeting shall be either two members or one third of the members of the committee whichever is greater, including at least one independent director in attendance.

d. Nomination and Remuneration Committee

Our Nomination and Remuneration Committee last reconstituted by our Board of Directors in their meeting held on February 13, 2020 with the following members:

Sr. No.	Name of Member	Designation
1.	Vilas Pandurang Unavane	Chairman
2.	Farukh Soli Wadia	Member
3.	Ramakant Krishnajirao Kadam	Member

The Company Secretary acts as the secretary of the Nomination and Remuneration Committee.

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations and the terms of reference, powers and role of our Nomination and Remuneration Committee are as follows:

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal;
2. To carry out evaluation of every Director's performance;
3. To 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;
4. To formulate the criteria for evaluation of Independent Directors and the Board;
5. To devise a policy on Board diversity;
6. To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria;
7. To administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Scheme;
8. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable;
9. To perform such other functions as may be necessary or appropriate for the performance of its duties; and
10. To recommend to the board, all remuneration, in whatever form, payable to senior management.

As required under the SEBI Listing Regulations, the Nomination and Remuneration Committee shall meet at least once a year, and the chairperson of the committee shall be present at the annual general meetings to answer queries of the shareholders. The quorum for each meeting of the said committee shall be either two members or one-third of the members of the committee whichever is greater, including at least one independent director in presence.

e. Corporate Social Responsibility Committee

Our Corporate Social Responsibility Committee was constituted on February 13, 2020 with the following members forming a part of the said Committee:

Sr. No.	Name of Member	Designation
1.	Syed Khurshid Husain	Chairman
2.	Hari Venugopal Nair	Member
3.	Vilas Pandurang Unavane	Member

The Company Secretary acts as the secretary of the Corporate Social Responsibility Committee.

The terms of reference of the Corporate Social Responsibility Committee include the following:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating activities to be undertaken as specified in schedule VII of the Companies Act, 2013;
2. To recommend the amount of expenditure to be incurred on the activities referred to in clause(1);
3. To report and monitor the CSR activities undertaken; and
4. To monitor the Corporate Social Responsibility Policy of the Company from time to time.

The quorum for the CSR Committee Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.

Additionally, our Company has constituted various operational committees such as the Investment Committee, Warehousing Committee and Fund Raising Committee.

Our Key Managerial Personnel

In addition to our Whole-time Director, whose details have been provided under paragraph above titled '*Brief Profile of our Directors*', set forth below are the details of our Key Managerial Personnel as on the date of filing of this Draft Letter of Offer:

Deepak Madhukar Keni, aged 59 years, is the Chief Financial Officer of our Company. He holds a bachelor's degree in commerce from University of Bombay and a master's degree in business administration in finance from Canterbury University. He has been associated with our Company since October 30, 2020 and is responsible for handling the accounts and finance related matter of our Company. He has not received any remuneration during the Fiscal 2020.

Sweta Pankaj Parekh, aged 29 years, is the Company Secretary and Compliance Officer of our Company. She holds a bachelor's degree in commerce from University of Bombay and is an associate of the Institute of Company Secretaries of India. She has been associated with our Company since November 02, 2020 and is responsible for handling secretarial matters of our Company. She has not received any remuneration during the Fiscal 2020.

All our Key Managerial Personnel are permanent employees of our Company.

Relationship of Key Managerial Personnel with our Directors, Promoter and / or other Key Managerial Personnel

None of the key managerial personnel are related to each other or to our Promoter or to any of our Directors.

OUR PROMOTER

Our Promoter, Asgar Shakoor Patel, as on the date of this Draft Letter of Offer hold, in aggregate of 10,65,879 Equity Shares, constituting 6.45% of our issued, subscribed and paid-up equity share capital of our Company. Asgar Shakoor Patel, aged 81 years is the Promoter and Chairman Emeritus of our Company. He holds a bachelor's degree in arts from University of Bombay. He is the founding member of the Company and has been associated with our Company since its inception. He was associated with our Company in the capacity of a Non-Executive Director until April 18, 2019 and is presently acting as our Chairman Emeritus. He is one of the pioneers of the organized transportation of goods in India with vast experience in the fields of logistics, finance, forex, and construction. He is a director on the board of Patel Holdings Limited.

Our Company confirms that the permanent account number, bank account number and passport number of our Promoter shall be submitted to the Stock Exchanges at the time of filing this Draft Letter of Offer.

Confirmations

1. None of our Promoter or members of our Promoter Group have been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.
2. Our Promoter has not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
3. None of our Promoter or Promoter Group entities have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoter and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
4. There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Issue against our Promoter.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, during the last three Fiscals, as per the requirements under the relevant accounting standards and as reported in the Restated Financial Information, see “*Restated Financial Information- Notes to Restated Financial Statements- Annexure- V - Note 41- Related Party Disclosures*” at page 135 of the Restated Financial Information in this Draft Letter of Offer.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited, consolidated net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities.

Dividends paid on Equity Shares:

The dividends declared by the Company on the Equity Shares in each of the Financial Years ending 2020, 2019 and 2018, as per our Restated Financial Statements is given below:

Particulars	Financial Performance		
	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2018
Face value per share (in ₹)	10	10	10
Amount of Dividend (in ₹ lakhs)*	16.54	82.68	124.02
Dividend per share (in ₹)	0.10	0.50	0.75
Rate of dividend (%)	1.00	5.00	7.50
Dividend Tax (%)	Nil	20.55	20.55

* Excluding dividend distribution tax

The amount paid as dividends in the past is not necessarily indicative of our dividend policy or dividend amount, if any, in the future and there is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in future. For details in relation to the risk involved, see “*Risk Factor No. 43 – Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows*” on page 39 of this Draft Letter of Offer.

SECTION V – FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

S. No.	Details	Page Number
1.	Restated Financial Information	99
2.	Other Financial Information	139
3.	Capitalization Statement	140

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RESTATED FINANCIAL STATEMENTS

The Board of Directors
Patel Integrated Logistics Limited
Patel House,
Gazdar Bandh, Santacruz (West),
Mumbai – 400 054
Maharashtra, India

Auditor's Report on Restated Financial Information of Patel Integrated Logistics Limited

Dear Sirs,

- 1) We have examined the attached Restated Financial Information of **Patel Integrated Logistics Limited** (the “**Company**” or the “**Issuer**”) comprising the Restated Financial statements (Restated Standalone Statement of Assets and Liabilities (Annexure I) for each of the financial years ended March 31, 2020, March 31, 2019 and Restated Consolidated Statement of Assets and Liabilities for the year ended March 31, 2018), the Restated Standalone /Consolidated Statements of Profit and Loss (Annexure II) (including other comprehensive income), the Restated Standalone / Consolidated Statement of Changes in Equity (Annexure III), the Restated Consolidated Cash Flow Statement (Annexure IV) for each of the financial years ended March 31, 2020, March 31, 2019 and March 31, 2018, the Restated Standalone / Consolidated Summary Statement of Significant Accounting Policies, and other explanatory information (Annexure V) (collectively, the “Restated Consolidated Financial Information”), for the purpose of inclusion in the Draft Letter of Offer (“**DLOF**”) and the Letter of Offer (“**LOF**”) (DLOF and LOF collectively referred to as “**Offer Documents**”) prepared by the Company in connection with its proposed Rights Issue of equity shares (“**RI**”) in terms of the requirements of:
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the “**Act**”) read with Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (the “**Rules**”);
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time pursuant to the provisions of the Securities and Exchange Board of India Act, 1992 (“**SEBI ICDR Regulations**”); and
 - c) 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 (the “**Guidance Note**”).
- 2) The Company’s Board of Directors is responsible for the preparation of the Restated Standalone / Consolidated Financial Information for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and The Calcutta Stock Exchange Limited (collectively, the “**Stock Exchanges**”) and Registrar of Companies, Mumbai, Maharashtra, in connection with the proposed RI. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 2 of Annexure V to the Restated Consolidated Financial Information. The Financial Information as presented in Annexure I and Annexure II also includes limited review financials for the quarter ended June 30, 2020 and its corresponding previous year quarter ended June 30, 2019 as required under the SEBI ICDR Regulations. The responsibility of the Board of Directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, SEBI ICDR Regulations and the Guidance Note.
- 3) We have examined such Restated Financial Information taking into consideration:

- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter in connection with the proposed Rights Issue of the Company;
 - b) The Guidance Note which also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
 - d) The requirements of Section 26 of the Act and the SEBI ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the proposed Rights Issue.
- 4) These Restated Financial Information have been prepared under the Indian Accounting Standards (the “**Ind-AS**”) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, read with Section 133 of the Act and have been compiled by the management from:
- a) The audited standalone financial statements of the Company for the financial year ended March 31, 2020 prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act.
 - b) The audited standalone financial statements of the Company for the financial year ended March 31, 2019 prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act.
 - c) The audited consolidated financial statements of the Company for the financial year ended March 31, 2018 prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act.
- 5) For the purpose of our examination, we have relied on:
- a) Auditors’ Report dated June 30, 2020, May 16, 2019 and May 30, 2018 on the financial statements of the Company for each of the years ended March 31, 2020, March 31, 2019 and March 31, 2018 respectively, as referred in Paragraph 4 above. Additionally we have relied on the limited review reports issued by us for the quarter ended June 30, 2020 and the corresponding previous year quarter ended June 30, 2019.
- 6) There were no modifications to the audit reports on the financial statements issued by us for each of the financial years ended March 31, 2020, March 31, 2019 and March 31, 2018.
- 7) Based on our examination and according to the information and explanations given to for the respective years, we report that the Restated Financial Information:
- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2020, 2019 and 2018 to reflect the same accounting treatment as per the accounting policies;
 - b) do not require any adjustments for the matters giving rise to modifications as stated in paragraph 6 above; and
 - c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

- 8) The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on Audited Ind AS financial statements as mentioned in the paragraph 4 above.
- 9) We have also examined the following Restated Standalone / Consolidated Financial Statements set out in annexure prepared by the management and approved by the Board of Directors of the Company as under:
- a) Annexure V : Restated Statement of Significant Accounting Policies
 - b) Annexure VI : Notes to Restated Financial Information
 - c) Annexure VII : Restated Statement of Accounting Ratios
 - d) Annexure VIII : Restated Statement of Capitalization
 - e) Annexure IX : Statement of Dividend paid

According to the information and explanations given to us, in our opinion, the Restated Financial Information and the above restated financial information contained in Annexures V to VIII accompanying this report, read with Summary of Significant Accounting Policies disclosed in Annexure V, are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

- 10) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
- 11) We have no responsibility to update our report for events and circumstances occurring after the date of this report.
- 12) Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, the Stock Exchanges and the Registrar of Companies, Maharashtra at Mumbai in connection with the proposed Rights Issue. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Hitesh Shah & Associates**
Chartered Accountants
Firm Registration Number: 103716W

CA Hitesh Shah
Partner
ICAI Membership Number: 040999
UDIN: 20040999AAAAEX4086

Place: Mumbai

Date: December 21, 2020

Annexure – I: Restated Consolidated Summary of Assets and Liabilities

(All Amounts in Rupees, unless stated otherwise)

Particulars	Note	As at 30th June 2020	As at 30th June 2019	As at 31st Mar 20	As at 31st Mar 19	As at 31st Mar 18
		Standalone	Standalone	Standalone	Standalone	Consolidated
ASSETS						
Non-current assets						
Property, plant and equipment	2	44,86,32,763	53,54,26,228	45,46,49,292	53,56,47,155	51,80,11,327
Capital work-in-progress		2,12,94,197	37,92,385	2,12,94,197	1,94,55,946	4,03,41,924
Investment Property	3	5,54,46,927	5,84,59,467	5,56,99,195	5,87,21,059	5,72,91,025
Other Intangible Assets	4	5,57,937	7,19,105	6,72,921	30,09,884	22,77,040
Financial assets						
Investments	5	3,52,04,008	4,62,40,337	3,07,68,026	4,47,90,623	4,78,13,982
Loans	6	52,66,597	1,03,28,597	53,28,597	1,02,84,907	76,03,632
Other financial assets	7	3,90,94,467	4,20,63,044	3,87,02,467	6,75,66,619	6,85,65,527
Other non-current assets	8					21,55,955
Total non-current assets		60,54,96,897	69,70,29,165	60,71,14,696	73,94,76,194	74,40,60,412
Current assets						
Financial assets						
- Investments	9	7,84,36,623	9,31,83,928	7,57,39,840	9,77,61,855	11,46,29,897
- Trade receivables	10	70,71,64,191	83,03,26,583	88,75,68,138	99,36,73,146	1,02,91,34,602
- Cash and cash equivalents	11	21,31,55,692	50,02,57,271	12,87,13,276	12,62,66,925	16,90,22,604
- Other financial assets	12	4,23,58,387	3,01,00,947	2,90,84,658	2,91,17,159	2,91,60,925
Other current assets	13	22,75,62,342	28,36,39,358	32,56,32,805	28,38,82,078	19,50,42,946
Total current assets		1,26,86,77,234	1,73,75,08,087	1,44,67,38,718	1,53,07,01,163	1,53,69,90,974
TOTAL ASSETS		1,87,41,74,131	2,43,45,37,251	2,05,38,53,413	2,27,01,77,357	2,28,10,51,386
EQUITY AND LIABILITIES						
Equity						
Equity share capital	14	16,53,59,230	16,53,59,230	16,53,59,230	16,53,59,230	16,53,59,230
Other equity	15	1,01,58,74,575	1,16,80,90,104	1,02,49,45,435	1,11,54,11,501	1,10,81,67,229
Total Equity		1,18,12,33,805	1,33,34,49,334	1,19,03,04,665	1,28,07,70,731	1,27,35,26,459
Liabilities						
Non-current liabilities						
Financial liabilities						
Borrowings	16	17,48,42,254	22,52,30,203	19,10,48,804	22,19,49,769	20,38,72,898
Other Financial Liabilities	17	-	3,16,95,120	3,33,33,295	3,52,73,105	3,28,14,708
Provisions		3,36,97,433	-	-	-	-
Deferred tax liabilities (net)	18	1,90,91,961	2,60,48,000	2,07,41,487	2,68,41,182	2,67,73,876
Total non-current liabilities		22,76,31,648	28,29,73,323	24,51,23,586	28,40,64,056	26,34,61,482
Current liabilities						

Particulars	Note	As at 30th June 2020	As at 30th June 2019	As at 31st Mar 20	As at 31st Mar 19	As at 31st Mar 18
		Standalone	Standalone	Standalone	Standalone	Consolidated
Financial liabilities						
Borrowings	19	39,92,78,045	60,61,96,812	39,12,11,322	43,84,63,609	38,57,14,201
Trade payables						
i)Total outstanding dues of micro and small enterprises	20	-	-	-	-	-
ii)Total outstanding dues of creditors other than micro and small enterprises		(4,94,91,230)	5,09,97,602	12,74,54,128	8,49,73,599	19,53,90,535
Other financial liabilities	21	8,39,21,032	10,52,87,646	6,76,86,813	11,68,16,886	10,95,82,565
Other current liabilities	22	2,22,74,838	5,16,67,871	1,98,85,546	6,20,95,330	5,19,65,774
Provisions	23	93,25,994	39,64,663	1,21,87,353	29,93,145	14,10,370
Total current liabilities		46,53,08,678	81,81,14,594	61,84,25,162	70,53,42,569	74,40,63,445
TOTAL EQUITY AND LIABILITIES		1,87,41,74,131	2,43,45,37,251	2,05,38,53,413	2,27,01,77,357	2,28,10,51,386
See accompanying notes to the financial statements	1 to 49					

Annexure – II: Restated Consolidated Summary Statement of Profit & Loss Account

(All Amounts in Rupees, unless stated otherwise)

Particulars	Note	Period Ended	Period Ended	Year ended 31st	Year ended	Year ended
		30th June 20	30th June 19	Mar 20	31st Mar 19	31st Mar 18
		Standalone	Standalone	Standalone	Standalone	Consolidated
Revenue from operations	24	15,88,08,925	1,00,44,96,106	3,47,40,92,723	4,47,74,82,834	4,23,67,84,901
Other income	25	84,41,251	49,68,683	6,46,55,793	5,59,19,193	5,29,00,569
Total income		16,72,50,176	1,00,94,64,789	3,53,87,48,515.91	4,53,34,02,027	4,28,96,85,470
Expenses						
Operating Cost	26	11,92,34,596	90,53,07,854	3,08,16,66,269	3,79,09,52,472	3,56,26,69,108
Changes in inventories of finished goods, work in progress and stock in trade						
Employee benefit expenses	27	2,48,90,512	7,16,15,859	18,79,83,868	30,76,33,531	28,48,84,034
Finance costs	28	1,74,08,222	2,20,11,966	7,38,90,067	8,37,29,705	7,20,59,809
Depreciation and amortization expense	2, 3 & 4	63,83,781	1,16,66,732	3,90,56,867	4,63,39,082	4,76,20,370
Other expenses	29	1,08,62,499	5,62,73,208	12,35,04,412	23,07,65,943	21,60,16,215
Total expenses		17,87,79,611	1,06,68,75,620	3,50,61,01,484	4,45,94,20,733	4,18,32,49,536
Profit/(loss) before extraordinary, exceptional items and tax		(1,15,29,435)	(5,74,10,831)	3,26,47,032	7,39,81,294	10,64,35,934
Extraordinary items						
Exceptional items	30	-	12,74,20,426	9,57,28,391	-	-
Profit/(loss) before tax		(1,15,29,435)	7,00,09,596	12,83,75,424	7,39,81,294	10,64,35,934
Tax expense						
(i) Current tax		-	1,59,78,000	2,70,69,000	1,20,58,000	2,50,97,160
(ii) MAT Assets		-	-	-	(13,98,000)	-
(ii) Deferred tax		(16,49,526)	(7,93,000)	(60,99,695)	67,306	9,94,724
(iv) (Excess) / Short Provision of Income Tax for earlier years		(96,833)	-	-	-	(12,03,453)
Profit/(loss) for the period from continuing operations		(97,83,076)	5,48,24,596	10,74,06,119	6,32,53,988	8,15,47,503
Profit/(loss) for the period from discontinued operations		-	-	-	-	-
Tax expense of discontinued operations		-	-	-	-	-
Profit/(loss) for the period from Discontinued operations(after tax)		-	-	-	-	-
Profit/(loss) for the period		(97,83,076)	5,48,24,596	10,74,06,119	6,32,53,988	8,15,47,503
Other comprehensive income						
A.						
i) Items that will not be reclassified to profit and loss	43	(7,12,215)	28,05,807	7,60,54,994	3,64,05,486	68,57,570
ii)Income tax relating to items that will not be reclassified to profit or loss		-	-	-	-	-
B.						
i) Items that will be reclassified to profit and loss		-	-	-	-	-
ii)Income tax relating to items that will be reclassified to profit or loss		-	(6,59,000)	(56,69,000)	(23,58,000)	(27,97,160)
Total Other Comprehensive Income		(7,12,215)	21,46,807	7,03,85,994	3,40,47,486	40,60,410
Total Comprehensive income for the period (Comprising profit(Loss) and other comprehensive Income for the period)		(90,70,861)	5,26,77,789	3,70,20,124	2,92,06,502	7,74,87,093
Earnings per equity share(for continuing Operation)						

Particulars	Note	Period Ended	Period Ended	Year ended 31st	Year ended	Year ended
		30th June 20	30th June 19	Mar 20	31st Mar 19	31st Mar 18
		Standalone	Standalone	Standalone	Standalone	Consolidated
1) Basic	31	(0.59)	3.32	6.50	3.83	4.99
1) Diluted	31	(0.59)	3.32	6.50	3.83	4.99
Earnings per equity share(for discontinued Operation)						
1) Basic		-	-	-	-	-
1) Diluted		-	-	-	-	-
Earnings per equity share(for discontinued Operation and continuing operation)						
1) Basic		(0.59)	3.37	6.50	3.83	4.99
1) Diluted		(0.59)	3.37	6.50	3.83	4.99
See accompanying notes to the financial statements	1 to 49					

Annexure – III: Restated Consolidated Statement of Changes in Equity
(All Amounts in Rupees, unless stated otherwise)

Particulars	Equity share capital	Reserves & Surplus								Total Other Equity
		Money Received Against Share Warrants	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Contingency Reserve	Profit and Loss Account	Other Comprehensive Income	
Balance as at 1st April 17	15,88,66,120	2,67,08,750	4,62,28,010	18,60,000	31,90,59,214	46,78,23,518	5,29,17,168	8,36,35,577	(45,31,676)	99,37,00,562
Current year	64,93,110	-	-	-	-	-	(1,25,30,389)	8,15,47,503	(40,60,410)	6,49,56,704
Appropriations										-
General Reserve	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	-
Dividend distribution tax paid	-	-	-	-	-	-	-	-	-	-
Other comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-
On Issue of Shares	-	(2,67,08,750)	80,41,059	-	6,81,77,655	-	-	-	-	4,95,09,964
Transfer (to)/from Profit and Loss Account	-	-	-	-	-	2,00,00,000	2,00,00,000	(4,00,00,000)	-	-
Balance as at 31st Mar 18	16,53,59,230	-	5,42,69,069	18,60,000	38,72,36,869	48,78,23,518	6,03,86,779	12,51,83,080	(85,92,086)	1,10,81,67,229
Less: Deliverex								8,50,244		8,50,244
Current year	-	-	-	-	-	-	(78,61,274)	6,32,53,988	(3,40,47,486)	2,13,45,228
Foreign currency translation reserve	-	-	-	-	-	-	-	-	-	-
Appropriations										-
General Reserve	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	(1,24,01,943)	-	(1,24,01,943)
Dividend distribution tax paid	-	-	-	-	-	-	-	(25,49,256)	-	(25,49,256)
Other comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-
Transfer (to)/from Profit and Loss Account	-	-	-	-	-	1,00,00,000	2,00,00,000	(3,00,00,000)	-	-

Particulars	Equity share capital	Reserves & Surplus							Total Other Equity	
		Money Received Against Share Warrants	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Contingency Reserve	Profit and Loss Account		Other Comprehensive Income
Balance as at 31st Mar 19	16,53,59,230	-	5,42,69,069	18,60,000	38,72,36,869	49,78,23,518	7,25,25,504	14,43,36,112	(4,26,39,572)	1,11,54,11,501
Current year :										
Profit/(Loss)	-	-	-	-	-	-	(11,75,18,725)	10,74,06,119	(7,03,85,994)	(8,04,98,600)
Bonus issue	-	-	-	-	-	-	-	-	-	-
Foreign currency translation reserve	-	-	-	-	-	-	-	-	-	-
Appropriations										
Bonus issue	-	-	-	-	-	-	-	-	-	-
General Reserve	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	(82,67,962)	-	(82,67,962)
Dividend distribution tax paid	-	-	-	-	-	-	-	(16,99,504)	-	(16,99,504)
Other comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-
Transfer (to)/from Profit and Loss Account	-	-	-	-	-	1,00,00,000	5,00,00,000	(6,00,00,000)	-	-
Balance as at 31st Mar 20	16,53,59,230		5,42,69,069	18,60,000	38,72,36,869	50,78,23,518	50,06,779	18,17,74,765	(11,30,25,566)	1,02,49,45,435

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Annexure – IV: Restated Consolidated Summary Statement of Cash Flows
(All Amounts in Rupees, unless stated otherwise)

Particulars	Year ended 31st Mar 20	Year ended 31st Mar 19	Year ended 31st Mar 18
	Standalone	Standalone	Consolidated
Cash flows from operating activities			
Profit/(loss) before tax	12,83,75,424	7,39,81,294	10,64,35,934
Adjustments to reconcile net loss to net cash provided by operating activities			
Profit / Loss on Sale / Discard of Assets (Net)	(18,29,835)	(1,04,82,218)	(9,13,814)
Profit / Loss on Sale of Business Unit	(12,74,20,426)	-	-
Depreciation	3,90,56,867	4,63,39,082	4,76,20,370
(Net gain) / Loss on Sale of Current/Non-Current Investments	(9,33,245)	(1,53,61,370)	(1,05,93,855)
Dividend Income	(50,47,374)	(78,09,315)	(87,05,947)
Interest Income	(99,59,260)	(2,28,70,840)	(2,64,89,006)
Finance Cost	7,38,90,067	8,37,29,705	7,20,59,809
Changes in Current assets and Current liabilities			
Inventories	-	-	-
Trade and Other Receivables	(22,94,26,870)	(23,14,273)	(22,51,02,647)
Trade and Other Payables	43,53,840	(10,89,95,207)	9,03,48,195
Other assets			
Other liabilities			
Cash generated from operations	(12,89,40,812)	3,62,16,857	4,46,59,039
Income taxes paid	(4,87,33,908)	(6,36,30,868)	1,29,47,886
Cash flow from non-operating activities -Scrap sale	-	-	-
Net cash flow from operating activities (A)	(17,76,74,720)	(2,74,14,011)	5,76,06,925
Cash flows from investing activities			
Purchase of Fixed Assets	(3,37,59,149)	(8,17,35,051)	(10,59,55,758)
Sale of Fixed Assets	7,15,21,422	2,51,62,794	23,16,080
(Purchase) / Sale of Current / Non-Current Investment (Net)	1,15,26,605	1,05,18,403	(2,69,98,739)
Proceeds from Sale of Business Unit	34,00,00,000	-	-
Movement in Fixed Deposits (Net)	(14,28,523)	7,80,243	18,76,420
(Increase) / Decrease in Capital Work in Progress	(18,38,251)	2,08,85,978	(2,24,57,088)
Interest Received	99,91,760	2,29,14,604	2,79,43,772
Dividend Received	50,47,374	78,09,315	87,05,947
Net cash flow used in investing activities (B)	40,10,61,239	63,36,286	(11,45,69,366)
Cash flow from financing activities			
Proceeds from Public Deposits (Net)	(4,91,22,000)	68,15,000	1,05,41,000
Preceeds from Issue of Equity Shares	-	-	5,60,03,074
Preceeds from Issue of Share Warrants	-	-	-
Proceeds from Long Term Borrowings (Net)	(3,17,25,101)	1,95,89,862	5,08,69,465
Repayment of Long Term Borrowings	-	-	-

Particulars	Year ended 31st Mar 20	Year ended 31st Mar 19	Year ended 31st Mar 18
Transfer of Cash & Bank Balance on Sale of Business Unit	(81,76,625)	-	-
Interest Paid	(7,61,25,211)	(8,50,60,282)	(6,81,22,158)
Dividend Paid	(99,67,466)	(1,49,51,199)	(95,60,377)
Net cash flow (used in)/from financing activities (C)	(17,51,16,403)	(7,36,06,619)	3,97,31,004
Net increase in cash and cash equivalents (A+B+C)	4,82,70,116	(9,46,84,343)	(1,72,31,437)
Cash and cash equivalents at the beginning of the year	(32,50,40,021)	(23,03,55,678)	(21,30,83,740)
Cash and cash equivalents at the end of the year	(27,67,69,906)	(32,50,40,021)	(23,03,15,177)

Annexure V: Restated Consolidated Summary of Significant Accounting Policies

1.A Corporate Information

Patel Integrated Logistics Limited (“the Company”) is a listed entity incorporated in India. Equity Shares of the Company are listed on BSE Limited, National Stock Exchange of India Limited and The Calcutta Stock Exchange Association Limited.

The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report.

The Company is in the business of Logistics Services, offering unified logistics solution through the extensive infrastructure of Offices and Delivery destinations across all over the Country. The Company provides various services to their client through its different divisions and products. The Company offers a complete range of logistics products, which includes business activities like Surface Transport, Warehousing, Air Cargo Consolidation etc.

During the Year the Company has divested its surface transport business carried on in a division “Patel Roadways” on a going concern basis by way of Slump sale to Innovative Logistics Service Private Limited, a subsidiary of Stellar Value Chain Solutions Pvt. Ltd. on 30th June, 2019.

1.B Significant Accounting Policies

a. Basis for preparation of Consolidated Financial Statements:

The Company does not have any subsidiary in FY 2019 and FY 2020, hence the restated figures as on March 2019, March 2020, and June 2020 are standalone figures and no consolidation is available.

The standalone financial statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

- i) Certain financial assets and liabilities
- ii) Defined benefit plans - plan assets

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards (‘Ind AS’), including the rules notified under the relevant provisions of the Companies Act, 2013.

Company’s Financial Statements are presented in Indian Rupees, which is also its functional currency and all values are rounded to the nearest Rupee.

b. Property, Plant and Equipment (including Capital work-in-progress):

- i. Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent cost are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance expenses are charged to profit or loss during the reporting period in which they are incurred.
- ii. Assets acquired on financial lease on or after April 1, 2001 are capitalised at their fair values at the inception of lease or, if lower at the present value of the minimum lease payments.
- iii. Land purchased on long term lease (99 years) is shown under Property, Plant and Equipment, and not separately shown under Leased Assets.
- iv. Assets acquired but not ready for use are classified under Capital work in progress and are stated at cost comprising direct cost and related incidental expenses.

- c. **Leases**
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as Lessee

Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments.

These finance lease, if any, are accounted for high value asset wherein the assets is ascertainable and renewal of such lease is required as well as highly probable as per IND AS 116. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense in the Profit and loss Statement on a straight-line basis over the lease term.

- d. **Investment Property:**
- i. Investment property is the property that is not occupied by the Company, and which is held to earn rentals or for capital appreciation, or both. Upon initial recognition, an investment property is measured at cost, including directly attributable overheads, if any. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment loss, if any.
 - ii. Any gain or loss on disposal of an investment property is recognised in profit or loss, unless any other standard specifically requires otherwise.
 - iii. Company depreciates the investment property using the straight line method over the useful lives of assets as prescribed under Part C of Schedule II of the Act.
- e. **Intangible Assets:**
- i. Intangible Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.
- f. **Depreciation / Amortization:**
- i. Depreciation on all assets is provided under straight line method at the rates and in the manner prescribed under Part-C of Schedule II of the Companies Act, 2013 (the "Act").
 - ii. Depreciation on additions to assets or sale or disposal of assets is calculated on a pro-rata basis from / to the date of addition / deduction.
 - iii. Cost of leasehold land is amortised over the residual period of the lease on straight line basis.
- g. **Impairment of non-financial assets - property, plant and equipment and intangible assets:**
The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of

impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

h. Financial Assets:

i. Financial Assets

a. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

b. Subsequent measurement

i. Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

There is no significant impact on valuation of Financial Assets, having contractual inflow, at fair value through comprehensive income and hence such difference on valuation is not booked.

iii. Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

c. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

d. Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

i. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

ii. Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company follows 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

The Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

- ii. Financial Liabilities
 - a. Initial recognition and measurement
All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.
There is no significant impact on valuation of Financial Liabilities at fair value through comprehensive income and hence no profit or loss on such valuation is booked.
 - b. Subsequent measurement
Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.
There is no significant impact on valuation of Financial Liabilities at fair value through comprehensive income and hence such difference on valuation is not booked.
- iii. Membership shares of a Co-operative Housing Society related to office premise are included under Non - Current Investments.
- iv. Profit / Loss on sale of Current / Non – Current Investments is computed on FIFO basis.
- i. Policy For Revenue Recognition:
 - i. Revenue / Income and Cost / Expenditure are generally accounted on accrual basis as they are earned / incurred, except those with significant uncertainties.
 - ii. Amounts recovered towards demurrage and delivery charges are accounted at the time when they are ultimately realised. Freight includes recoverable on undelivered consignments as certified by the management and recoveries for other allied services on a consistent basis.
 - iii. Income on account of Co-Loading and Cargo division is recognized on booking of courier & cargo load.
 - iv. Cargo Freight charges has been accounted on gross basis and commission received if any, against the same has been accounted as revenue from operation under the head commission including Franchisee/Business Associates.
 - v. Dividend income from investment is recognised as and when received.
 - vi. Other incomes are accounted for on accrual basis except when the recovery is uncertain, it is accounted for on receipt basis.
 - vii. Administrative and other expenses are stated net of recoveries wherever applicable.
- j. Employee Benefits:
 - i. Short Term Employee Benefits
The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.
 - ii. Post-Employment Benefits

a. Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident and Pension Fund. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

b. Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days basic salary for every completed year of service as per the Payment of Gratuity Act, 1972.

Company's liability towards gratuity is determined by valuation carried out by the "Life Insurance Corporation of India" as at each balance sheet date and is fully provided for in the Statement of Profit and Loss on the basis of aforesaid valuation. The valuation method used for measuring the liability is the Projected Unit Credit method.

The liability for compensated absences is determined by valuation carried out by the "Life Insurance Corporation of India" as at each balance sheet date and provided for in the Statement of Profit and Loss as incurred in the year in which services are rendered by employees. The valuation method used for measuring the liability is the Projected Unit Credit method.

The gains and losses are recognized immediately in the Statement of Other Comprehensive Income.

k. Foreign Currency Transactions:

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Monetary items denominated in foreign currencies are restated at the exchange rate prevailing on the balance sheet date. Exchange differences arising on settlement of the transaction and on account of restatement of monetary items are dealt with in the Statement of Profit and Loss.

l. Recoverability of Trade Receivables:

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment. Such provisions are made by providing for Contingencies Reserves and adjusted against such reserves on eventuality of such bad debts.

m. Taxes on Income:

Tax expense for the period comprises current and deferred tax. The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognised as an expense or income in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

n. Indirect Tax input credit:

Indirect Tax Input credit is accounted for in the books in the period in which the underlying service is received and when there is no uncertainty in availing /utilizing the credits. When input is not available for set-off against liabilities, the same is expensed out.

o. Provision and Contingencies:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent Liability is disclosed when the Company has possible or present obligation where it is not certain that an outflow of resources will be required to settle it.

Claims in respect of which the Company is of the opinion that they are frivolous or is legally advised that they are unsustainable in law are not considered as Contingent Liability as the possibility of an outflow of resources embodying economic benefits is remote. Contingent Assets are neither recognized nor disclosed in the standalone financial statements.

Annexure – VI: Notes to Restated Financial Information
(All Amounts in Rupees, unless stated otherwise)

Particulars	Note 2 : PROPERTY, PLANT AND EQUIPMENT										Note 3 : INVESTMENT PROPERTY		Note 4 : OTHER INTANGIBLE ASSETS	
	Property, Plant and Equipment										Investment Property		Other Intangible	
	Freehold Land	Leasehold Land	Buildings	Furniture and Fixtures	Computer	Office Equipment	Plant and Machinery	Truck	Vehicles	Total	Building	Total	Software	Total
Gross Carrying Value														
Balance as at April 01,2017	14,68,06,455	3,87,50,050	12,63,64,881	13,81,23,469	16,89,98,924	7,07,65,501	90,31,119	18,24,44,888	4,28,87,171	92,41,72,458	4,70,93,747	4,70,93,747	2,36,51,242	2,36,51,242
Additions	5,92,57,666	-	-	60,65,101	43,88,509	49,91,955	3,70,182	2,49,77,266	35,74,975	10,36,25,655	2,14,170	2,14,170	21,15,934	21,15,934
Deductions /Adjustments	-	-	-	13,735	-	1,17,977	-	1,30,41,274	37,52,568	1,69,25,554	-	-	-	-
Building			(1,66,36,967)							(1,66,36,967)	1,66,36,967	1,66,36,967		
Balance as at March 31,2018	20,60,64,121	3,87,50,050	10,97,27,914	14,41,74,834	17,33,87,433	7,56,39,479	94,01,301	19,43,80,880	4,27,09,578	99,42,35,591	6,39,44,884	6,39,44,884	2,57,67,176	2,57,67,176
Accumulated Depreciation														
Opening Accumulated depreciation	-	31,997	2,82,75,504	9,00,99,619	16,17,75,911	5,41,28,994	68,14,340	8,05,73,813	2,59,06,884	44,76,07,062	37,61,472	37,61,472	2,29,02,643	2,29,02,643
Depreciation charged during the year	-	3,91,441	19,96,530	86,81,718	40,79,165	53,64,778	2,33,783	2,22,22,963	33,17,296	4,62,87,674	7,45,203	7,45,203	5,87,493	5,87,493
Disposal/Adjustments	-	-	-	13,723	-	1,17,971	-	1,23,89,210	30,02,384	1,55,23,288	-	-	-	-
Building			(21,47,184)							(21,47,184)	21,47,184			
Closing Accumulated depreciation	-	4,23,438	2,81,24,850	9,87,67,614	16,58,55,076	5,93,75,801	70,48,123	9,04,07,566	2,62,21,796	47,62,24,264	66,53,859	45,06,675	2,34,90,136	2,34,90,136
Net Carrying amount as at 31.03.2018	20,60,64,121	3,83,26,612	8,16,03,064	4,54,07,220	75,32,357	1,62,63,678	23,53,178	10,39,73,314	1,64,87,782	51,80,11,327	5,72,91,025	5,94,38,209	22,77,040	22,77,040
Gross carrying Value														
Balance as at April 01,2018	20,60,64,121	3,87,50,050	10,97,27,914	14,41,74,834	17,33,87,433	7,56,39,479	94,01,301	19,43,80,880	4,27,09,578	99,42,35,591	6,39,44,884	6,39,44,884	2,57,67,176	2,57,67,176
Less: Deliverex	-	-	-	(9,34,369)	(1,22,850)	(1,86,395)	55,739	-	-	(11,87,876)				
Additions	6,01,657	-	6,56,92,182	25,41,555	25,98,800	18,29,407	3,89,729	5,11,570	31,60,421	7,73,25,321	24,62,970	24,62,970	19,46,760	19,46,760
Deductions /Adjustments	-	-	1,38,03,250	1,40,000	8,33,675	3,90,336	31,450	4,01,92,929	34,57,246	5,88,48,886	-	-	-	-

Particulars	Note 2 : PROPERTY, PLANT AND EQUIPMENT										Note 3 : INVESTMENT PROPERTY		Note 4 : OTHER INTANGIBLE ASSETS	
	Property, Plant and Equipment										Investment Property		Other Intangible	
	Freehold Land	Leasehold Land	Buildings	Furniture and Fixtures	Computer	Office Equipment	Plant and Machinery	Truck	Vehicles	Total	Building	Total	Software	Total
Balance as at March 31,2019	20,66,65,778	3,87,50,050	16,16,16,846	14,56,42,020	17,50,29,708	7,68,92,155	98,15,319	15,46,99,521	4,24,12,753	1,01,15,24,150	6,64,07,854	6,64,07,854	2,77,13,936	2,77,13,936
Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Opening Accumulated depreciation	-	4,23,438	2,81,24,850	9,87,67,614	16,58,55,076	5,93,75,801	70,48,123	9,04,07,566	2,62,21,796	47,62,24,264	66,53,859	66,53,859	2,34,90,136	2,34,90,136
Less: Deliverex				(1,55,802)	(70,974)	(79,658)	35,245	-	-	(2,71,189)				
Depreciation charged during the year	-	3,91,441	21,41,690	81,94,515	40,68,261	53,35,351	2,72,779	2,05,55,703	31,32,490	4,40,92,230	10,32,936	10,32,936	12,13,916	12,13,916
Disposal/Adjustments	-	-	23,85,877	1,39,999	7,92,936	3,59,212	31,448	3,79,42,103	25,16,735	4,41,68,310	-	-	-	-
Closing Accumulated depreciation	-	8,14,879	2,78,80,663	10,66,66,328	16,90,59,427	6,42,72,282	73,24,699	7,30,21,166	2,68,37,551	47,58,76,995	76,86,795	76,86,795	2,47,04,052	2,47,04,052
Net Carrying amount as at 31.03.2019	20,66,65,778	3,79,35,171	13,37,36,183	3,89,75,692	59,70,281	1,26,19,873	24,90,620	8,16,78,355	1,55,75,202	53,56,47,155	5,87,21,059	5,87,21,059	30,09,884	30,09,884
Gross carrying Value														
Balance as at April 01,2019	20,66,65,778	3,87,50,050	16,16,16,846	14,56,42,020	17,50,29,708	7,68,92,155	98,15,319	15,46,99,521	4,24,12,753	1,01,15,24,150	6,64,07,854	6,64,07,854	2,77,13,936	2,77,13,936
Additions	1,09,500	7,95,346	55,67,393	31,53,919	46,39,249	12,61,757	1,09,792	-	1,81,13,793	3,37,50,749	-	-	8,400	8,400
Deductions /Adjustments	-	7,43,906	48,88,177	1,18,72,468	4,57,81,465	2,57,92,972	73,07,066	13,20,17,588	61,09,705	23,45,13,347	22,70,230	22,70,230	67,02,117	67,02,117
Balance as at March 31,2020	20,67,75,278	3,88,01,490	16,22,96,062	13,69,23,471	13,38,87,492	5,23,60,940	26,18,045	2,26,81,933	5,44,16,841	81,07,61,552	6,41,37,624	6,41,37,624	2,10,20,219	2,10,20,219
Accumulated Depreciation														
Opening Accumulated depreciation	-	8,14,879	2,78,80,663	10,66,66,328	16,90,59,427	6,42,72,282	73,24,699	7,30,21,166	2,68,37,551	47,58,76,995	76,86,795	76,86,795	2,47,04,052	2,47,04,052
Depreciation charged during the period	-	3,94,197	24,58,893	82,13,927	28,57,406	34,93,785	96,843	1,56,51,401	39,60,254	3,71,26,706	11,76,165	11,76,165	7,53,996	7,53,996
Disposal/Adjustments	-	17,127	18,11,719	94,49,649	4,43,26,303	2,20,10,412	49,49,764	7,18,69,551	24,56,916	15,68,91,441	4,24,531	4,24,531	51,10,750	51,10,750

Particulars	Note 2 : PROPERTY, PLANT AND EQUIPMENT										Note 3 : INVESTMENT PROPERTY		Note 4 : OTHER INTANGIBLE ASSETS	
	Property, Plant and Equipment										Investment Property		Other Intangible	
	Freehold Land	Leasehold Land	Buildings	Furniture and Fixtures	Computer	Office Equipment	Plant and Machinery	Truck	Vehicles	Total	Building	Total	Software	Total
Closing Accumulated depreciation	-	11,91,949	2,85,27,837	10,54,30,606	12,75,90,530	4,57,55,655	24,71,778	1,68,03,016	2,83,40,889	35,61,12,260	84,38,429	84,38,429	2,03,47,298	2,03,47,298
Net Carrying amount as at 31.03.2020	20,67,75,278	3,76,09,541	13,37,68,225	3,14,92,865	62,96,962	66,05,285	1,46,267	58,78,917	2,60,75,952	45,46,49,292	5,56,99,195	5,56,99,195	6,72,921	6,72,921

Note	Particulars	As at 31.03.2020		As at 31.03.2019		As at 31.03.2018	
		Standalone		Standalone		Consolidated	
		Units	Rupees	Units	Rupees	Units	Rupees
5	INVESTMENTS						
	Investments Measured at Cost						
	Non Trade Unquoted						
	The Memon Co-op. Bank Ltd of Rs.10/- each fully paid up	5	50	5	50	5	50
	Shamrao Vithal Co-op Bank Ltd. of Rs. 25/- each fully paid up	5,000	1,25,000	5,000	1,25,000	5,000	1,25,000
	NKGSB Co-op Bank Ltd of Rs.10/- each fully paid up	50	500	50	500	50	500
	Shri Ambuja Petrochemicals Ltd of Rs.10/- each fully paid up	910	9,100	910	9,100	910	9,100
	The Natasha Co-op. Housing Society Ltd. of Rs. 50/- each fully paid up	5	250	5	250	5	250
	Piramal Glass Ltd. of Rs. 10/- each fully paid up	8	-	8	-	8	-
			1,34,900		1,34,900		1,34,900
	Investments Measured at Fair Value through Other Comprehensive Income						
	Investments in Equity Shares						
	Trade Quoted						
	Gati Ltd. of Rs. 2/- each fully paid up	20	1,013	20	1,013	20	1,013
	All Cargo Logistics Ltd. of Rs. 2/-each fully paid up	200	16,993	200	16,993	200	16,993
	Transport Corporation of India Ltd. of Rs.2/- each fully paid up	20	1,495	20	1,495	20	1,495
	TCI Express Ltd. of Rs. 2/- each fully paid up	10	-	10	-	10	-
			19,501		19,501		19,501
	Non Trade Quoted						
	Ganesh Anhydride Ltd. of Rs.10/- each fully paid up	50	500	50	500	50	500
	BSE Ltd of Rs. 2/- each fully paid up	110	88,660	157	1,26,542	157	1,26,542

Note	Particulars	As at 31.03.2020		As at 31.03.2019		As at 31.03.2018	
		Standalone		Standalone		Consolidated	
		Units	Rupees	Units	Rupees	Units	Rupees
	TCI Developers Ltd. of Rs. 10/- each fully paid up	1	-	1	-	1	-
	Hindustan Petroleum Corporation Ltd. of Rs.10/- each fully paid up	1,14,750	4,20,76,553	1,14,750	4,20,76,553	1,14,750	32512465
	FDC Ltd. of Rs. 1/- each fully paid up	7,983	22,84,068	8,221	23,52,143	8,221	23,52,143
			4,44,49,781		4,45,55,738		3,49,91,650
	Investments in Mutual Fund - Quoted						
	JM Equity Hybrid Fund Annual Dividend	3,11,502.190	1,00,00,000	3,11,502.190	1,00,00,000	3,11,502.19	1,00,00,000
	JM Large Capital Fund Annual Dividend	3,62,034.237	1,00,00,000	3,62,034.237	1,00,00,000		
			2,00,00,000		2,00,00,000		1,00,00,000
	Investment - FVTOCI		(3,38,36,156)		(1,99,19,516)		2667931.27
	TOTAL		3,07,68,026		4,47,90,623		4,78,13,982
	Aggregate book value of quoted investments		3,06,33,126		4,46,55,723		47679082.27
	Aggregate market value of quoted investments		3,06,33,126		4,46,55,723		47679082.27
	(As investments are valued at fair value on 31st March based on the newly adopted Ind AS)						
	Aggregate book value of unquoted investments		1,34,900		1,34,900		1,34,900
Note	Particulars	As at 31.03.2020		As at 31.03.2019		As at 31.03.2018	
		Standalone		Standalone		Consolidated	
5.1	Category - wise Non-Current Investments						
	Financial assets measured at cost		1,34,900		1,34,900		1,34,900
	Financial assets measured at fair value through other Comprehensive Income		3,06,33,126		4,46,55,723		4,76,79,082
	Total Non-Current Investments		3,07,68,026		4,47,90,623		4,78,13,982
6	LOANS						
	(Unsecured Considered Good)						
	Deposit Others		53,28,597		1,02,84,907		76,03,632
	TOTAL		53,28,597		1,02,84,907		76,03,632
7	OTHER FINANCIAL ASSETS						
	Deposit to Related Party (Refer Note No. 40[i])		1,00,00,000		1,00,00,000		1,00,00,000
	Deposit		43,33,467		3,31,97,619		3,41,96,527
	Other Loans and Advances (Refer Note No. 38)		2,43,69,000		2,43,69,000		2,43,69,000
	TOTAL		3,87,02,467		6,75,66,619		6,85,65,527
8	OTHER NON CURRENT ASSETS						
	Pre - Operative Expenses						21,55,955
	TOTAL		-		-		21,55,955

Note	Particulars	As at 31.03.2020		As at 31.03.2019		As at 31.03.2018	
		Standalone		Standalone		Consolidated	
		Units	Rupees	Units	Rupees	Units	Rupees
9	INVESTMENTS						
	Investments Measured at Cost						
	Investments IN Equity Shares						
	Investments in Subsidiary Company , unquoted and fully paid up						
	Investments in Debentures - Unquoted						
	NCD of Ganesh Benzo Plast Ltd of Rs.75/- each fully paid up	40	3,000	40	3,000	40	3,000
	Secured NCD of Orris Infrastructure Pvt. Ltd.	1	35,29,949	1	35,29,949	1	73,17,848
	Secured NCD Golden Sparrow Infrastructure Private Limited of Rs 10/- each	-	-	55,500	4,99,444		
	Secured NCD of Pinnacle Vastunirman Pvt Ltd					100	1,03,38,082
	Secured NCD Omkar Realtors Andheri Project Pvt. Ltd. SR-A 15	1	1,42,558	1	50,66,972	1	77,33,634
			36,75,507		90,99,365		2,53,92,564
	Investments in Mutual Fund - Unquoted						
	Essel Asset II at NAV of Rs. 100/- each	1,46,893	1,46,89,340	1,46,893	1,46,89,340	1,50,000	1,50,00,000
	India Housing Fund (A Category II AIF Scheme)	2,49,217	24,78,941	2,49,217	25,00,000		
	Reliance Yield Maximiser AIF Scheme III		66,26,752		94,66,901		1,00,00,000
	BPEA India Credit Investment Trust II	90,804	93,16,400	59,560	61,92,000	59,560	61,92,000
	Edelweiss Multi Strategy Fund Management		25,00,000		25,00,000		25,00,000
	Indiabulls High Yield Fund		1,00,00,000		1,00,00,000		1,00,00,000
			4,56,11,433		4,53,48,241		4,36,92,000
	Investments Measured at Fair Value through Other Comprehensive Income						
	Investments in Equity Shares						
	Trade Quoted						
	Blue Dart Express Ltd. of Rs.10/- each fully paid up	1,000	45,89,909	1,000	45,89,909	1,000	45,89,909
			45,89,909		45,89,909		45,89,909
	Non Trade Quoted						
	Power Grid Corporation of India Ltd. of Rs. 10/- each fully paid up					2,500	3,84,775
	Wall Street Finance Ltd. of Rs. 10/- each fully paid up					1,60,304	33,12,949
	Sree Rayalseema Alkalies & Allied Chemicals of Rs. 10/- each fully paid up						
	Indian Oil Corporation Ltd. of Rs. 10/- each fully paid up	9,614	12,53,241	9,614	12,53,241	9,614	19,85,926
	SBI Life Insurance Company Ltd. of Rs. 10/- each fully paid up	-	-	1,701	11,90,700	1,701	11,90,700
	State Bank of India of Rs. 1 /- each fully paid up	-	-	9,400	28,67,287	9,400	28,67,287
	Bajaj Finance Ltd of Rs. 2 /- each fully paid up					1,450	24,95,579
	Mahindra & Mahindra Ltd. of Rs. 5/- each fully paid up	1,010	9,57,076	1,010	9,57,076	3,488	24,95,857
	Reliance Industries Ltd of Rs. 10 /- each fully paid up					3,150	28,98,290
	HEG Limited of Rs. 10/- each fully paid up	222	9,22,688	222	9,22,688		

Note	Particulars	As at 31.03.2020		As at 31.03.2019		As at 31.03.2018	
		Standalone		Standalone		Consolidated	
		Units	Rupees	Units	Rupees	Units	Rupees
	Biocon Limited of Rs. 5/- each fully paid up	1,540	9,91,804	1,540	9,91,804		
	Infosys Ltd of Rs. 5/- each fully paid up	-	-	2,750	19,77,195		
	Mphasis Ltd of Rs. 10/- each fully paid up	1,923	23,43,393	1,923	23,43,393		
	ITC Limited of Rs. 1/- each fully paid up	8,000	24,37,200	8,000	24,37,200		
	L & T Limited of Rs. 2/- each fully paid up	-	-	984	12,85,345		
	Lupin Limited of Rs. 2/- each fully paid up	1,110	9,90,496	1,110	9,90,496		
	IndusInd Bank Limited of Rs. 10/- each fully paid up	1,250	19,93,790	-	-	-	-
			1,18,89,688		1,72,16,425		1,76,31,363
	Investments in Debentures - Quoted						
	NCD of Blue Dart Express Ltd. SR-III 9.5 of Rs.10/- each fully paid up	3,000	-	3,000	-	3,000	-
	Investments in Mutual Fund - Quoted						
	HDFC Balanced Advantage Fund (Direct Plan Dividend)	1,50,681.522	50,26,372	1,50,681.522	50,26,372	13,70,36,605	50,26,372
	HDFC Capital Builder Fund - Direct Plan Dividend	74,796.553	25,00,000	74,796.553	25,00,000	74,796.553	25,00,000
	Essel Large Cap Equity Fund	1,36,707.375	25,00,000	1,36,707.375	25,00,000	1,36,707.375	25,00,000
	Essel Liquid Fund	2.632	5,000	2.632	5,000	2.632	5,000
	Redeemable Units of ICICI Balanced Advantage Fund at NAV of Rs. 15.09 each	6,45,642.559	1,00,01,000	6,45,642.559	1,00,01,000	72,93,19,024	95,67,725
	Reliance Growth Fund - Direct Plan Dividend	27,712.898	25,00,000	27,712.898	25,00,000	27,712.898	25,00,000
	Reliance Liquid Fund Treasury Plan (Direct)	1.203	5,000	1.203	5,000	1.203	5,000
			2,25,37,372		2,25,37,372		2,21,04,097
	Investment - FVTOCI		(1,25,64,069)		(10,29,457)		12,17,464
	TOTAL		7,57,39,840		9,77,61,855		11,46,29,897
	Aggregate book value of quoted investments		2,64,52,900		4,33,14,250		4,55,45,333
	Aggregate market value of quoted investments		2,64,52,900		4,33,14,250		4,55,45,333
	(As investments are valued at fair value on 31st March based on the newly adopted Ind AS)						
	Aggregate book value of unquoted investments		4,92,86,940		5,44,47,606		6,90,84,564

Note	Particulars	As at 31.03.2020	As at 31.03.2019	As at 31.03.2018
		Standalone	Standalone	Consolidated
9.1	Category - wise Current Investments			
	Financial assets measured at cost	4,92,86,940	5,44,47,606	6,90,84,565
	Financial assets measured at fair value through other Comprehensive Income	2,64,52,900	4,33,14,249	4,55,45,332
	Total Current Investments	7,57,39,840	9,77,61,855	11,46,29,897
10	TRADE RECEIVABLES			
	Secured Considered Good	85,90,481	31,49,26,104	33,85,75,869
	Unsecured Considered Good	87,89,77,657	67,87,47,042	69,05,59,033

Note	Particulars	As at 31.03.2020		As at 31.03.2019		As at 31.03.2018	
		Standalone		Standalone		Consolidated	
	TOTAL	88,75,68,138		99,36,73,146		1,02,91,34,902	
11	CASH AND BANK BALANCES						
	Cash and Cash Equivalents						
	Balance with Banks						
	In Current Accounts (includes proceeds of preferential issue)	6,52,90,682		7,31,38,735		125778256	
	In Accounts for Unclaimed Dividend	30,41,643		36,04,631		3367724	
	Cash on Hand	10,83,702		49,21,728		7704838	
	Other Bank Balances						
	In Fixed Deposits	3,25,000		17,15,457		1054714	
	In Fixed Deposits (as margin money against bank guarantees, LC's and Others)	4,47,00,389		3,00,43,037		17493493	
	In Fixed Deposits (as earmarked against public deposits)	1,42,71,860		1,28,43,337		13623580	
	TOTAL	12,87,13,276		12,62,66,925		16,90,22,604	

Fixed deposits with bank includes deposits of Rs. 1,90,95,750/- (Previous Year Rs. 22,32,675/-) with maturity of more than 12 months

Note	Particulars	As at 31.03.2020		As at 31.03.2019		As at 31.03.2018	
		Standalone		Standalone		Consolidated	
12	OTHER FINANCIAL ASSETS						
	Deposit	2,75,00,000		2,75,00,000		2,75,00,000	
	Interest Accrued on Bank Deposits	15,84,658		16,17,159		16,60,925	
	TOTAL	2,90,84,658		2,91,17,159		2,91,60,925	
13	OTHER CURRENT ASSETS						
	Prepaid Expenses	45,32,844		1,40,30,162		56,53,800	
	Staff Advances	55,75,836		29,53,855		25,46,879	
	Advance Income Tax (Net of Provision)	13,90,81,682		11,17,47,774		5,64,18,907	
	Others*	17,64,42,443		15,51,50,287		13,04,23,360	
	TOTAL	32,56,32,805		28,38,82,078		19,50,42,946	

*includes interest receivable, GST Input, claim receivable, agent receivable and octroi advance

Note	Particulars	As at 31.03.2020		As at 31.03.2019		As at 31.03.2018	
		Units	Rupees	Units	Rupees	Units	Rupees
14	SHARE CAPITAL						
	Authorised Share Capital						
	Equity Share of Rs. 10/- each	3,00,00,000	30,00,00,000	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
			30,00,00,000		20,00,00,000		20,00,00,000
	ISSUED, SUBSCRIBED AND PAID UP :						
	Equity Shares of Rs. 10/- each paid up value	1,65,35,923	16,53,59,230	1,65,35,923	16,53,59,230	1,58,86,612	15,86,66,120

Note	Particulars	As at 31.03.2020		As at 31.03.2019		As at 31.03.2018	
		Units	Rupees	Units	Rupees	Units	Rupees
	Add : Issue of Equity Shares during the year					6,49,311	64,93,110
	TOTAL		16,53,59,230		16,53,59,230		16,51,59,230

14.1. The reconciliation of the number of shares outstanding is set out below:

Particulars	As At 31.03.2020		As At 31.03.2019		As At 31.03.2018	
	No. of Shares		No. of Shares		No. of Shares	
Equity Shares at the beginning of the year fully paid up		1,65,35,923		1,65,35,923		1,58,86,612
Add: Shares issued during the year		-		-		6,49,411
Equity Shares at the end of the year		1,65,35,923		1,65,35,923		1,65,35,923

14.2. Rights, preferences and restrictions attached to the equity shares:

- Right to receive dividend as may be approved by the Board of Directors/Annual General Meeting.
- The Equity Shares are not repayable except in the case of a buyback, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.
- Every member of the company holding equity shares has a right to attend the General Meeting of the company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share in the paid-up capital of the company.

14.3. The details of Shareholders holding more than 5 % shares:

Name of the Shareholders	As At 31.03.2020		As At 31.03.2019		As At 31.03.2018	
	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
Patel Holdings Limited	30,25,667	18.30	30,25,667	18.30	30,25,667	18.30
A. S. Patel Trust	13,71,500	8.29	13,71,500	8.29	13,71,500	8.29
Mr. Asgar S. Patel	10,65,879	6.45	10,65,879	6.45	10,65,879	6.45
Mr. Areef A. Patel	9,27,884	5.61	9,27,884	5.61	9,27,884	5.61
Frontline Strategy Limited	8,99,362	5.44	8,99,362	5.44	8,99,362	5.44

Note	Particulars	As at 31.03.2020		As at 31.03.2019		As at 31.03.2018	
		Standalone		Standalone		Consolidated	
15	OTHER EQUITY						
	Capital Reserve						
	As per last Balance Sheet		5,42,69,069		5,42,69,069		4,62,28,010
	Add : Forfeiture of warrants		-		-		80,41,059
	Capital Reserve		5,42,69,069		5,42,69,069		5,42,69,069
	Capital Redemption Reserve		18,60,000		18,60,000		18,60,000
	Money Received against Share Warrants						
	As per last Balance Sheet		-		-		2,67,08,750
	Add: Application money received		-		-		5,60,03,074
	Less : Issue of shares		-		-		8,27,11,824

Note	Particulars	As at 31.03.2020	As at 31.03.2019	As at 31.03.2018
		Standalone	Standalone	Consolidated
	Securities Premium Reserve			
	As per last Balance Sheet	38,72,36,869	38,72,36,869	31,90,59,214
	Add: Premium on shares issued during the year	-	-	6,81,77,655
	Securities Premium Reserve	38,72,36,869	38,72,36,869	38,72,36,869
	General Reserve			
	As per last Balance Sheet	49,78,23,518	48,78,23,518	46,78,23,518
	Add/(Less) Inter Division Transfer	-	-	-
	Add : Transferred from Profit and Loss Account	1,00,00,000	1,00,00,000	2,00,00,000
		50,78,23,518	49,78,23,518	48,78,23,518
	Other Reserve			
	Contingency Reserve			
	As per last Balance Sheet	7,25,25,505	6,03,86,779	5,29,17,168
	Add/(Less) Inter Division Transfer	-	-	-
	Add : Transferred from Profit and Loss Account	5,00,00,000	2,00,00,000	2,00,00,000
		12,25,25,505	8,03,86,779	7,29,17,168
	Less : Transfer to Profit and Loss Account	11,75,18,725	78,61,274	1,25,30,389
		50,06,780	7,25,25,505	6,03,86,779
	Profit and Loss Account			
	As per last Balance Sheet	14,43,36,112	12,60,33,323	8,36,35,577
	Add/(Less) Inter Division Transfer	-	-	-
	Add : Profit for the year	10,74,06,119	6,32,53,988	8,15,47,503
		25,17,42,231	18,92,87,311	16,51,83,080
	Less : Appropriations :			
	Transferred to General Reserve	1,00,00,000	1,00,00,000	2,00,00,000
	Transferred to Contingency Reserve	5,00,00,000	2,00,00,000	2,00,00,000
	Final Dividend on Equity Shares	82,67,962	1,24,01,943	-
	(Dividend per share Re. 0.50 (Previous Year Re. 0.75)			
	Tax on Dividend	16,99,504	25,49,256	-
		18,17,74,765	14,43,36,112	12,51,83,080
	Other Comprehensive Income			
	As per last Balance Sheet	(4,26,39,572)	(85,92,086)	(45,31,676)
	Add/(Less) Inter Division Transfer	-	-	-
	Add : Movement in OCI (Net) during the year	(7,03,85,994)	(3,40,47,486)	(40,60,410)
		(11,30,25,566)	(4,26,39,572)	(85,92,086)
	TOTAL	1,02,49,45,435	1,11,54,11,501	1,10,81,67,229
16	NON CURRENT BORROWINGS			
	Secured			

Note	Particulars	As at 31.03.2020	As at 31.03.2019	As at 31.03.2018
		Standalone	Standalone	Consolidated
	Term Loan From Banks	1,37,92,799	3,88,00,931	6,15,09,412
	Term Loan From Other Financial Institutions	8,07,11,005	8,78,95,838	4,67,54,486
		9,45,03,804	12,66,96,769	10,82,63,898
	Unsecured			
	Loans From Related Parties	2,00,00,000	-	-
	Term Loan	-	-	-
	Deposit accepted from public	7,65,45,000	9,52,53,000	9,56,09,000
		9,65,45,000	9,52,53,000	9,56,09,000
	TOTAL	19,10,48,804	22,19,49,769	2,03,72,898

16.1. Secured Term Loan from Banks referred above are secured by way of hypothecation of trucks and motor cars.

16.2. Secured Term loan from Other Financial Institute referred above is secured by office premises located at,

- Unit No. 504, 5th Floor, The Crescent Business Park, Andheri Kurla Road, Sakinaka, Andheri (E), Mumbai - 400 072.
- 11 Flats at Bangalore
- Land and Structure which is in Bangalore for Warehouse.
- Unit No. 609 & 610 of The Avenue, Andheri, Mumbai.

16.3. Maturity profile of long term loans is set out below:

Particulars	Upto 6 Months	More Than 6 months and upto 1 Years	More Than 1 Year and upto 5 Years	More Than 5 Years and upto 10 Years	More Than 10 Years
Secured Term Loan From Banks	22,67,918	23,86,717	1,37,92,799	-	-
Secured Term Loan From Other Financial Institutions	36,17,016	38,57,940	3,92,61,282	2,55,22,354	1,59,27,369

Note	Particulars	As at 31.03.2020	As at 31.03.2019	As at 31.03.2018
		Standalone	Standalone	Consolidated
17	OTHER FINANCIAL LIABILITIES			
	Deposits*	3,33,33,295	3,52,73,105	3,28,14,708
	TOTAL	3,33,33,295	3,52,73,105	3,28,14,708
	* Deposits includes deposits from Transporters, Customers, Franchisees and others.			
18	DEFERRED TAX LIABILITY (NET)			
	Deferred Tax Liability			
	Related to Fixed Assets	2,07,41,487	2,68,41,182	2,67,73,876
	TOTAL	2,07,41,487	2,68,41,182	2,67,73,876
19	BORROWINGS			

Note	Particulars	As at 31.03.2020	As at 31.03.2019	As at 31.03.2018
		Standalone	Standalone	Consolidated
Secured - Loans repayable on demand				
	Working Capital Loans From Banks	36,61,68,629	43,45,70,343	37,36,47,884
Unsecured				
	Loans From Banks	2,50,42,693	38,93,266	1,20,66,317
	TOTAL	39,12,11,322	43,84,63,609	38,57,14,201

19.1. Working Capital Loans from Banks:

Secured by:

Pari Passu Hypothecation charges on all the present & future book debts (upto 120 Days) and movable assets except those as statutorily earmarked and those acquired under hire purchase agreement.

Collateral Security:

Equitable Mortgage of following properties owned situated at Mumbai and Thane.

- 1) Basement, Ground, First, Second, Fifth and Sixth Floor of Patel House, Santacruz, Mumbai.
- 2) Unit No. 601 to 608 & 611 of The Avenue, Andheri, Mumbai.
- 3) Office No. 101 to 105 of Parijat Garden Commercial Complex, Thane.
- 4) Shop No. F/3/008/Ground Floor of EFF Jumbo CHS Ltd, Andheri, Mumbai.
- 5) Unit No. 31, Ground Floor of Adarsh Industrial Estate, Andheri, Mumbai.
- 6) Unit No. 307,308,309 & 310 in 3rd Floor, Survey No. 46/1 + 3C/4252 at Akurdi Village, Taluka Haveli in the District of Pune.

Note	Particulars	As at 31.03.2020	As at 31.03.2019	As at 31.03.2018
		Standalone	Standalone	Consolidated
20	TRADE PAYABLES			
	Acceptances	-	6,10,00,000	8,10,00,000
	Others	12,74,54,127	2,39,73,599	11,43,90,585
	TOTAL	12,74,54,127	8,49,73,599	19,53,90,585

20.1. The Company has not received any intimation from its outstanding vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006, till April 30, 2019 and hence the disclosure, if any under the said Act has not been made.

Note	Particulars	As at 31.03.2020	As at 31.03.2019	As at 31.03.2018
		Standalone	Standalone	Consolidated
21	OTHER FINANCIAL LIABILITIES			
	Current Maturities of Public Deposits	3,78,84,000	7,13,49,000	6,42,15,000
	Current Maturities of Term Loan Liabilities	1,21,29,591	3,16,61,728	3,05,04,737
	Interest Accrued but not due on Public Deposits	65,96,348	96,58,708	1,09,96,604
	Unclaimed Dividend	30,41,643	36,04,631	33,67,724

Note	Particulars	As at 31.03.2020	As at 31.03.2019	As at 31.03.2018
		Standalone	Standalone	Consolidated
	Unclaimed Matured Deposits and Interest Accrued thereon	44,21,036	5,42,819	4,98,500
	Creditors for Capital Expenditure	36,14,195	-	-
	TOTAL	6,76,86,813	11,68,16,886	10,95,82,565
22	OTHER CURRENT LIABILITIES			
	Staff Advance	-	5,013	59,750
	Statutory Liabilities	85,58,364	1,39,23,355	1,84,63,381
	Staff Liabilities	58,57,029	2,62,13,466	2,27,01,082
	Overdrawn Balance in Current Account with Bank	53,487	21,25,133	3,09,623
	Liabilities for claims	23,22,896	12,43,107	15,87,715
	Other Payables*	30,93,770	1,85,85,256	88,44,223
	TOTAL	1,98,85,546	6,20,95,330	5,19,65,774
	* Includes Agency payables, etc.			
23	PROVISIONS			
	Provisions for Leave Encashment	48,67,932	29,93,145	14,10,370
	Provisions for Gratuity	73,19,421	-	-
	TOTAL	1,21,87,353	29,93,145	14,10,370
Note	Particulars	As at 31.03.2020	As at 31.03.2019	As at 31.03.2018
		Standalone	Standalone	Consolidated
24	REVENUE FROM OPERATIONS			
	Sale of Services			
	Freight	29,09,21,076	1,26,58,99,118	1,53,53,17,023
	Co Loading and Cargo Income	2,83,72,48,530	2,80,35,19,063	2,31,83,56,401
	Commission	33,98,92,443	38,50,27,045	36,58,79,487
	Other Operating Income	60,30,674	2,30,37,608	1,72,31,990
	TOTAL	3,47,40,92,723	4,47,74,82,834	4,23,67,84,901
25	OTHER INCOME			
	Interest Income	99,59,260	2,28,70,840	2,64,89,006
	Dividend Income	50,47,374	78,09,315	87,05,947
	Other Non Operating Income	4,96,49,159	2,52,39,038	1,77,05,616
	TOTAL	6,46,55,792	5,59,19,193	5,29,00,569
26	OPERATING COST			
	Truck Hire Charges	12,18,36,902	63,36,47,977	77,42,78,316

Note	Particulars	As at 31.03.2020	As at 31.03.2019	As at 31.03.2018
		Standalone	Standalone	Consolidated
	Truck Operational Expenses	2,08,50,847	10,66,84,738	12,38,08,679
	Truck Repairs and Maintenance Expenses	50,49,268	1,14,78,575	1,20,40,233
	Diesel, Oil and Grease	3,26,01,732	10,33,49,027	12,35,85,783
	Taxes and Permits	23,38,869	25,55,540	22,92,584
	Sundry Airport Expenses	1,75,80,200	1,71,00,115	1,30,05,646
	Line Haul Transportation Expenses	3,98,84,205	4,47,36,124	3,76,94,502
	Cargo Freight Charges	2,56,78,80,221	2,51,80,36,524	2,10,07,92,187
	Handling Charges	22,59,16,103	21,51,37,423	22,11,87,320
	Packing Materials Expenses	6,00,405	18,68,066	8,08,819
	Miscellaneous Operating Expenses	3,37,90,032	8,77,46,203	8,95,95,093
	Insurance	21,62,929	18,81,556	27,14,707
	Agency Commission	1,11,74,556	4,67,30,604	6,08,65,239
	Claims for Loss of Goods (Net of Recoveries)	17,68,000	14,53,339	53,30,737
	Less : Transfer from Contingency Reserve	(17,68,000)	(14,53,339)	(53,30,737)
	TOTAL	3,08,16,66,269	3,79,09,52,473	3,56,26,69,108
27	EMPLOYEE BENEFITS EXPENSE			
	Salaries and Wages	16,04,72,793	26,75,97,045	24,48,62,738
	Contribution to Provident and Other Funds	1,42,47,642	2,43,85,628	2,49,13,436
	Staff Welfare Expenses	1,32,63,433	1,56,50,858	1,51,07,860
	TOTAL	18,79,83,868	30,76,33,531	28,48,84,034

Defined obligations - Disclosures as per Indian Accounting Standard 19 are as under,

Particulars	Gratuity			Leave		
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2018	As at 31.03.2020	As at 31.03.2019	As at 31.03.2018
	Standalone	Standalone	Consolidated	Standalone	Standalone	Consolidated
(A) Reconciliation of changes in present value of obligations						
At the beginning of the year	6,28,65,654	6,70,21,012	6,93,63,243	1,56,81,723	1,54,58,555	1,06,16,907
Adjustment for change in rates	-	-	(82,29,438)	(81,38,215)	-	1,41,97,400
Current service cost	42,36,941	45,54,294	43,29,431	6,31,105	8,64,462	14,99,012
Interest Cost	47,14,924	53,61,681	48,90,704	5,65,763	12,36,684	19,85,145
Actuarial (Gain) / Loss	(20,43,082)	(8,47,858)	45,46,763	56,29,526	57,94,120	(60,88,826)
Benefits paid	(2,75,79,401)	(1,32,23,475)	(78,79,691)	(55,52,048)	(76,72,098)	(67,51,083)
At the closing of the year	4,21,95,036	6,28,65,654	6,70,21,012	88,17,854	1,56,81,723	1,54,58,555

Particulars	Gratuity			Leave		
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2018	As at 31.03.2020	As at 31.03.2019	As at 31.03.2018
	Standalone	Standalone	Consolidated	Standalone	Standalone	Consolidated
(B) Reconciliation of changes in fair value of plan assets						
At the beginning of the year	2,41,43,490	3,10,39,558	3,22,04,371	1,27,89,197	1,51,90,888	1,00,18,347
Adjustment for change in rates	-	-	-	(82,38,835)	-	-
Expected return on plan assets	13,44,257	19,14,750	23,69,873	2,28,695	7,70,200	5,29,169
Contributions	3,39,67,269	44,12,657	43,45,005	47,22,913	45,81,207	1,13,13,455
Benefits paid	(2,75,79,401)	(1,32,23,475)	(78,79,691)	(55,52,048)	(76,72,098)	(67,51,083)
Actuarial (Gain) / Loss	-	-	-	-	-	-
At the closing of the year	3,18,75,615	2,41,43,490	3,10,39,558	39,49,922	1,27,89,197	1,51,09,888
(C) Reconciliation of fair value of plan assets						
At the beginning of the year	2,41,43,490	3,10,39,558	3,22,04,371	1,27,89,197	1,51,09,888	1,00,18,347
Adjustment for change in rates	-	-	-	(82,38,835)	-	-
Actual return on plan assets	13,44,257	19,14,750	23,69,873	2,28,695	7,70,200	5,29,169
Contributions	3,39,67,269	44,12,657	43,45,005	47,22,913	45,81,207	1,13,13,455
Benefits paid	(2,75,79,401)	(1,32,23,475)	(78,79,691)	(55,52,048)	(76,72,098)	(67,51,083)
At the closing of the year	3,18,75,615	2,41,43,490	3,10,39,558	39,49,922	1,27,89,197	1,51,09,888
Funded Status	(1,03,19,421)	(3,87,22,164)	(3,59,81,454)	(48,67,932)	(28,92,526)	(3,48,667)
Excess of actual over estimated return on plan assets	-	-	-	-	-	-
(Actual rate of return = Estimated rate of return as ARD falls on 31st March)						
(D) Actuarial Gain / Loss recognized						
Actuarial (gain) / loss on obligations	20,43,082	8,47,858	(45,46,763)	(56,29,526)	(57,94,120)	60,88,826
Actuarial (gain) / loss for the year - Plan Assets	-	-	-	-	-	-
Actuarial (gain) / loss on obligations	(20,43,082)	(8,47,858)	45,46,763	56,29,526	57,94,120	(60,88,826)
Actuarial (gain) / loss recognized in the year	(20,43,082)	(8,47,858)	45,46,763	56,29,526	60,94,120	(60,88,826)
(E) The amount to be recognized in the Balance Sheet and Statement of Profit and Loss						
Present value of obligations as at the end of year	4,21,95,036	6,28,65,654	6,70,21,012	88,17,854	1,56,81,723	1,54,58,555
Fair value of plan assets as at the end of year	3,18,75,615	2,41,43,490	3,10,39,558	39,49,922	1,27,89,197	1,51,09,888
Funded Status	(1,03,19,421)	(3,87,22,164)	(3,59,81,454)	(48,67,932)	(28,92,526)	(3,48,667)
Net assets / (liability) recognized in Balance Sheet	(1,03,19,421)	(3,87,22,164)	(3,59,81,454)	(48,67,932)	28,92,526	3,48,667
(F) Expenses recognised in statement of Profit and Loss						
Current Service Cost	42,36,941	45,54,294	43,29,431	6,31,105	8,64,462	1499012
Interest Cost	47,14,924	53,61,681	48,90,704	5,65,763	12,36,684	1985145

Particulars	Gratuity			Leave		
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2018	As at 31.03.2020	As at 31.03.2019	As at 31.03.2018
	Standalone	Standalone	Consolidated	Standalone	Standalone	Consolidated
Expected return on plan assets	(13,44,257)	(19,14,750)	(23,69,873)	(2,28,695)	(7,70,200)	-529169
Net Actuarial (gain) / loss recognised in the year	(20,43,082)	(8,47,858)	45,46,763	56,29,526	57,94,120	-6088826
Expenses recognised in Statement of Profit and Loss	55,64,526	71,53,367	1,13,97,026	65,97,699	71,25,066	-3133838

Note	Particulars	As at 31.03.2020	As at 31.03.2019	As at 31.03.2018
		Standalone	Standalone	Consolidated
28	FINANCE COSTS			
	Interest Expense		6,95,90,251	7,90,48,827
	Other Borrowing Costs		42,99,816	46,80,878
	TOTAL		7,38,90,067	8,37,29,705
29	OTHER EXPENSES			
	Electricity Charges		54,36,111	1,06,67,509
	Rent		1,70,28,512	5,01,63,648
	Repair to Buildings		16,83,126	25,02,348
	Insurance		19,86,784	29,90,669
	Printing and Stationery		50,91,389	93,22,612
	Postage and Telegram, Internet charges		17,84,953	47,06,511
	Conveyance and Travelling		1,22,17,497	2,22,90,901
	Telephone and Telex		35,38,457	71,52,223
	Rate and Taxes		8,70,144	4,04,495
	Legal and Professional Fees		2,40,15,329	2,03,91,566
	Auditors' Remuneration (Refer Note No. 31)		19,30,000	19,30,000
	Advertisement, Publicity and Business Promotion		40,22,194	1,15,65,617
	Directors' Sitting Fees		13,35,000	12,30,000
	Corporate Social Responsibility Expenditure (Refer Note No. 32)		9,87,667	22,93,430
	Miscellaneous Expenses		4,15,77,249	8,31,54,414
	Bad Debts Written Off		11,57,50,725	64,07,935
	Less : Transfer from Contingency Reserve		(11,57,50,725)	(64,07,935)
	Loss on sale of assets (Net)		-	-
	Loss on Sale of Investments		-	-
	Preliminary expenses			5,38,989
	TOTAL		12,35,04,412	23,07,65,943

Note	Particulars	As at 31.03.2020	As at 31.03.2019	As at 31.03.2018
		Standalone	Standalone	Consolidated
30	EXCEPTIONAL ITEMS			
	Gain on sale of Roadways Business - Refer Note 44	12,74,20,426	-	-
	Loss on sale of Trucks	(3,16,92,035)	-	-
	TOTAL	9,57,28,391	-	-
31	EARNINGS PER SHARE (EPS)			
	A) Net Profit After Tax for the year	10,74,06,119	6,32,53,988	8,22,53,989
	B) Calculation of Weighted Average Number of Equity Share of Rs. 10 each			
	i) Number of shares at the beginning of the year	1,65,35,923	1,65,35,923	15886612
	ii) Total number of shares outstanding at the end of the year	1,65,35,923	1,65,35,923	16535923
	iii) Weighted Average Number of Equity Shares outstanding during the year	1,65,35,923	1,65,35,923	16354472
	C) Basic Earnings per share (in Rupees)	6.50	3.83	5.03
	D) Diluted Earnings per share (in Rupees)	6.50	3.83	5.03
	E) Nominal Value of Shares	10.00	10.00	10.00

31.A Details of Indian rupee term loans from banks as under:

Particulars	Term Loan 1	Term Loan 2	Term Loan 3
	SIDBI	DHFL	PNB
Bank Name			
Sanctioned amount	5,00,00,000	2,42,90,000	2,41,75,000
Outstanding as on 31.03.2020	4,31,53,000	22,12,92,811	2,28,40,151
Non Current:	37285000	2,12,27,723.00	2,21,98,283.00
Current:	5868000	9,65,088.00	6,41,868.00
Outstanding as on 31.03.2019	2,33,64,186.00	2,30,68,081.00	1,01,83,400.00
Non Current:	2,25,49,027	2,21,92,811.00	43,15,400.00
Current:	8,15,159	8,75,270.00	58,68,000.00
Outstanding as on 31.03.2018	1,52,29,821.00	2,38,62,000.00	87,45,204.00
Non Current:	1,52,29,821.00	2,30,68,000.00	8456584
Current:	-	7,94,000.00	2,88,620.00
Monthly/Quarterly Instalments	8,83,726.00	2,58,468.00	2,56,418.00
No. of instalments	101	179	179
Commencement of instalments	10-Feb-19	10-Sep-17	10-Jul-18
Effective interest rate	10.50%	9%	10%

31.B Details of Indian rupee vehicle loans from banks as under:

Particulars	Vehicle Loan	Truck
Sanctioned amount		
Outstanding as on 31.03.2020	1,34,78,654.00	49,68,779.88
Non Current:	1,03,48,805.00	34,43,994.00
Current:	31,29,849.00	15,24,786.00
Outstanding as on 31.03.2019	29,08,963	5,99,95,266
Non Current:	1616344	3,71,84,587.00
Current:	1292619	2,28,10,679.00
Outstanding as on 31.03.2018	74,15,465.00	8,35,16,187.00
Non Current:	49,63,871.00	5,65,45,541.00
Current:	24,51,594.00	2,69,70,646.00
No. of instalments	59	60
Commencement of instalments	01-Jul-17	01-Jul-17
Effective interest rate	9.00%	9.00%

31.C Details of Indian rupee working capital loans from banks are as under:

Particulars	Outstanding as on 31.03.2020	Outstanding as on 31.03.2019	Outstanding as on 31.03.2018	Effective Interest Rate as on 31.03.2020	Effective Interest Rate as on 31.03.2019	Effective Interest Rate as on 31.03.2018
Loans repayable on demand-Secured	366168628.58	434570343.00	373647884	10%	10%	10%
Loans repayable on demand-Unsecured	142604692.84	17,05,77,266.00	171935317	9.50%	9.50%	9.50%
Total	50,87,73,321.42	60,51,47,609.00	54,55,83,201.00			

32. Payment to Auditors:

Particulars	For the Year 2019 – 20	For the Year 2018 – 19
Audit Fees	12,40,000	12,40,000
Tax Audit Fees	2,50,000	2,50,000
Certification Fees including Limited Review	3,75,000	3,75,000
Out of Pocket Expenses	65,000	65,000
Total	19,30,000	19,30,000

33. Corporate Social Responsibility Expenditure:

As required by section 135 of Companies Act, 2013 and Rules therein, a corporate social responsibility committee has been formed by the Company. The Company has spent the following amount during the year towards corporate social responsibility (CSR) for activities listed under schedule VII of the Companies Act, 2013.

- I. Gross amount required to be spent by the Company during the year – Rs. 12,62,409/- (Previous Year Rs. 15,78,336/-)
- II. Amount spent by the Company during the year on purpose towards corporate social responsibility (CSR) is Rs.9,87,667/- (Previous Year 22,93,430/-)

Due to spread of Coronavirus (COVID-19) and consequent lockdown in the country in the last month of the financial year, the Company was not able to spend the entire amount of CSR contribution on CSR projects approved during the financial year 2019-20. The unspent amount on projects is subsequently paid in next financial year on 26.06.2020.

34. Earnings and Expenditure in Foreign Currency:

Particulars	For the Year 2019 - 20	For the Year 2018 - 19
Earnings in Foreign Currency :		
Air Freight Billing and Other expenses (Net)	--	--
Total	--	--
Expenditure in Foreign Currency :		
Membership and Subscription Fees	67,429	41,280
Travelling	3,84,208	2,64,765
Total	4,51,637	3,06,045

35. Contingent Liabilities:

- a. Counter guarantees given to Banks against credit facilities Rs. 2,33,15,000/- (Previous Year Rs. 5,00,55,000/-).
 - b. Counter guarantees given to Late Mr. Areef Patel, Executive Vice Chairman for guarantees provided by him against credit facilities Rs. 33,65,00,000/- (Previous Year Rs. 83,02,00,000/-) for which no monetary benefit has accrued to Late Mr. Areef Patel, Executive Vice Chairman.
 - c. Claims against the Company not acknowledged as debts Rs. 6,16,09,804/- (PY Rs. 5,49,78,324/-)
36. Trade Receivable against whom the Company has filed the legal suits for recovery are being reviewed by the legal department on year-to-year basis. The Management is hopeful of recovery of these amounts. Accordingly no provision has been made for any loss, which may occur on this account.
37. Classification of Trade Receivable as secured and Trade Receivable / loans and advances as unsecured considered good are as evaluated and certified by the management, which has been relied upon by the auditors.
38. Balances of Trade Receivables are based on acknowledgement of bills by the parties.
39. Other Loans and Advances under Long Term Loans & Advances includes Inter Corporate Deposits aggregating to Rs. 1,28,27,000/- (Previous Year Rs. 1,28,27,000/-) due from certain companies. Having regards to the long-term association with these companies, the management is of the view that no provision is considered necessary on these accounts.

40. Segment Reporting:

i. Segment	Surface Transportation	Consolidation of Cargo	Total
Segment Revenue			
External Sales	29,69,51,750	3,17,71,40,973	3,47,40,92,723
	(1,28,89,36,726)	(3,18,85,46,108)	(4,47,74,82,834)
Inter - Segment Sales	--	--	--
	(--)	(--)	(--)
Total Revenue	29,69,51,750	3,17,71,40,973	3,47,40,92,723

i. Segment	Surface Transportation	Consolidation of Cargo	Total
	(1,28,89,36,726)	(3,18,85,46,108)	(4,47,74,82,834)
Segment Result	3,18,40,484	17,72,25,615	20,90,66,099
	(8,85,79,196)	(24,23,88,313)	(33,09,67,509)
Unallocated Corporate Expenses			16,71,84,792
			(22,91,75,703)
Operating Profits			4,18,81,307
			(10,17,91,806)
Interest Expenses			7,38,90,067
			(8,37,29,705)
Interest / Dividend Income			1,50,06,634
			(3,06,80,155)
Other Income			4,96,49,159
			(2,52,39,038)
Net Profit			3,26,47,033
			(7,39,81,294)
Other Information			
Segment Assets	66,35,37,897	1,24,81,92,190	1,91,17,30,087
	(1,08,63,48,150)	(1,04,16,34,768)	(2,12,79,82,918)
Unallocated Corporate Assets			14,21,23,325
			(14,21,94,438)
Total Assets	66,35,37,897	1,24,81,92,190	2,05,38,53,412
	(1,08,63,48,150)	(1,04,16,34,768)	(2,27,01,77,356)
Segment Liabilities	23,62,81,787	60,34,83,830	83,97,65,617
	(46,03,58,657)	(49,86,02,154)	(95,89,60,811)
Unallocated Corporate Liabilities			1,21,40,87,795
			(1,31,12,16,545)
Total Liabilities	23,62,81,787	60,34,83,830	2,05,38,53,412
	(46,36,69,657)	(49,86,02,154)	(2,27,01,77,356)
Capital Expenditure	68,05,136	2,69,54,013	3,37,59,149
	(7,75,73,831)	(41,61,220)	(8,17,35,051)
Unallocated Corporate Capital Expenditure			--
			(--)
Total Capital Expenditure	68,05,136	2,69,54,013	3,37,59,149
	(7,75,73,831)	(41,61,220)	(8,17,35,051)

i. Segment	Surface Transportation	Consolidation of Cargo	Total
Depreciation and Amortization	2,54,31,699	1,36,25,168	3,90,56,867
	(3,38,96,403)	(1,24,42,679)	(4,63,39,082)
Unallocated Depreciation and Amortization			--
			(--)
Total Depreciation and Amortization	2,54,31,699	1,36,25,168	3,90,56,867
	(3,38,96,403)	(1,24,42,679)	(4,63,39,082)

41. Related Party Disclosures:

a) List of the transacted Related Parties and description of relationship:

Nature of Relationship	Name of the related party	Relationship
Promoter	Mr A.S.Patel	
Wholly owned subsidiary	Deliverex India Limited	
Key Management Personnel	Late. Mr. Areef Patel	Executive Vice Chairman
	Mr. Syed Husain	Whole Time Director
	Mr. Mahesh Fogla	Chief Financial Officer
	Mr. Nitin Akolkar	Company Secretary
Related Parties in which Promoter is having significant influence	Natasha Construction Projects Private Ltd	
	One Capitall Ltd	
	Patel Holdings Private Ltd	
	A.S.Patel Trust	

b) Transaction with Related Parties

Nature of Transaction	Name of the related party	Year ended 31st Mar 20	Year ended 31st Mar 19	Year ended 31st Mar 18
Consultancy Charges	Mr A.S.Patel	40,00,000	23,26,838	
Directors Sitting Fees	Mr A.S.Patel		50,000	25,000
Investment in Shares written off	Deliverex India Limited	1,00,000	1,00,000	1,00,000
Loans and advances given	Deliverex India Limited		2,999	
Purchase of Fixed Assets	Deliverex India Limited		12,18,000	
Loan written off	Deliverex India Limited		26,19,835	38,34,836
Lease Rent Paid	Deliverex India Limited			18,98,070
Interest on ICD Received	Patel Holdings Private Ltd			9,52,956
Rent Received	One Capitall Ltd	1,18,920	7,75,050	7,38,120
Managerial Remuneration	Late. Mr.Areef Patel	1,18,24,301	78,18,527	61,49,151

Nature of Transaction	Name of the related party	Year ended 31st Mar 20	Year ended 31st Mar 19	Year ended 31st Mar 18
	Mr.Syed Husain	31,38,085		
	Mr.Mahesh Fogla	42,64,087	44,30,896	32,58,751
	Mr.Nitin Akolkar	9,31,669	11,26,496	8,12,362
Deposit	A..S.Patel Trust	1,00,00,000	1,00,00,000	1,00,00,000
ICD taken	Natasha Construction Projects Private Ltd	2,00,00,000	-	-
Interest on ICD	Natasha Construction Projects Private Ltd	2,33,333		

c) Balance as at 31st March

Nature of Transaction	Name of the related party	Year ended 31st Mar 20	Year ended 31st Mar 19	Year ended 31st Mar 18
Consultancy Charges	Mr A.S.Patel	23,26,838		
Investment in Shares	Deliverex India Limited			1,00,000
Loans and advances	Deliverex India Limited			38,34,836
Deposit	A.S.Patel Trust	1,00,00,000	1,00,00,000	1,00,00,000
Interest on ICD Received	Patel Holdings Private Ltd			
ICD taken	Natasha Construction Projects Private Ltd	2,00,00,000		
Interest on ICD	Natasha Construction Projects Private Ltd	2,09,999		

42. Current assets, loans and advances have a value of at least equal to the amounts shown in the Balance Sheet, if realised in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of amount considered reasonably necessary. There are no contingent liabilities other than those stated in Note No. 35.
43. The impact for adoption for IND-AS 116 in the Company's financial statements is not material as the Company has not entered into a long term lease agreement and the amount of lease rent paid is not of high value. However, the management will continue to assess its impact every year and account for the same, if required, as per IND-AS 116.

44. Statement of Other Comprehensive Income

Particulars	FY 2019 - 20	FY 2018 - 19
Item that will not be reclassified to Statement of Profit and Loss		
Leave Encashment	56,09,535	67,73,292
Gratuity Expense	4,49,94,207	47,97,826
(Gain)/Loss on Fair Value to Other Comprehensive Income on Investments	2,54,51,252	2,48,34,368
Total	7,60,54,994	3,64,05,486

45. During the previous year, DeliverEx India Limited, non-material wholly owned subsidiary of the Company has made an application under Section 248 of Companies Act, 2013 for voluntary striking off its name from the Registrar of Companies (ROC), Mumbai, being a non-operational Company and the same is taken on record and formal Notice to this effect from ROC is awaited. The Board of Directors of the Company in its meeting held on February 14, 2019 approved and had written off capital investment of Rs.1,00,000/- in and outstanding loan of Rs. 26,19,835/- receivable from DeliverEx India Ltd. The subsidiary company does not have any operation in the year ended March 31, 2020 and the company also

does not have any asset or liability as on March 31, 2020 and an application for strike off of such company has been made to ROC, therefore the accounts of such company is not consolidated and consolidated financial statements as on March 31, 2019 and March 31, 2020 are not required to be prepared.

46. Slump Sale

As mentioned in Note 1, The Company was involved in the business of Surface Transport under Patel Roadways Division. During the year the Company has divested its Patel Roadways Division on a going concern basis to Innovative Logistics Service Private Limited, a subsidiary of Stellar Value Chain Solutions Pvt. Ltd. by way of “slump sale”, for a consideration of Rs. 3,400/- Lakhs with effect from 1st July, 2019.

Details of Assets and Liabilities transferred on Slump Sale are as under:

	(Amount in Lakhs)	
Assets	Amount	Amount
Non - Current Assets	378.95	
Current Assets	2,208.34	2,587.29
Liabilities		
Non - Current Liabilities	37.13	
Current Liabilities	424.36	461.49
Profit on sale of Roadways Business		1,274.20
Amount Received		3,400.00

The financial results for the year ended March 31, 2020 have been prepared after giving effect to the slump sale of the Business Undertaking and in accordance with Schedule III to the Companies Act, 2013. Accordingly, the figures of the previous year ended March 31, 2019 are strictly not comparable with the figures of year under review.

47. In view of the outbreak of Corona virus (COVID-19) pandemic globally and in India, the Company’s business operations were temporarily disrupted. The full extent to which the pandemic will impact our future financial results will depend upon upcoming developments which are highly uncertain and severity of the pandemic. On the basis of its assessment of the impact of the outbreak of COVID-19 on carrying amounts of assets and liabilities of the entity, the Management concludes that no material adjustments are required to their carrying value. The Company continues to closely monitor the rapidly changing situation.

48. Effective Tax rates:

a. Income Tax

Income tax expense/(benefit) recognised in the statement of profit and loss:			
Particulars	Year ended 31st Mar 2020	Year ended 31st Mar 2019	Year ended 31st Mar 2018
Current tax expense	2,70,69,000	1,06,60,000	2,38,93,707
Deferred tax expense	-60,99,695	67,306	9,94,724
Total income tax expense	2,09,69,305	1,07,27,306	2,48,88,431

Reconciliation of effective tax rate			
Particulars	Year ended 31st Mar 2020	Year ended 31st Mar 2019	Year ended 31st Mar 2018
Profit before Income Tax	12,83,75,424	7,39,81,294	10,71,42,420
Tax Rate	22.26%	31.14%	33.10%
Expected Tax expense	28576369	23037775	35464141
Adjustments:			

Reconciliation of effective tax rate			
Particulars	Year ended 31st Mar 2020	Year ended 31st Mar 2019	Year ended 31st Mar 2018
Expenses not deductible for tax purpose	21,13,61,527	5,40,78,337	4,98,49,484
Expenses deductible for tax purpose	-24,00,74,650	-9,87,80,390	-8,91,78,298
Total	-2,87,13,123	-4,47,02,053	-3,93,28,814
Profit after Adjustments	9,96,62,301	2,92,79,241	6,78,13,606
Interest u/s 234C	-	-	-
Income tax expense	2,14,00,000	97,00,000	2,48,00,000
Effective tax rate	21.47%	33.13%	36.57%

b. Deferred Tax Assets and Liabilities

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

Particulars	Year ended 31st Mar 2020	Year ended 31st Mar 2019	Year ended 31st Mar 2018
Deferred tax (assets)/liabilities:			
Property, plant and equipment	-35,52,422	67,306	9,94,724
Current liabilities & provisions	-25,47,273		
Actuarial gain			
Net deferred tax Liabilities	-60,99,695	67,306	9,94,724

Movement in deferred tax assets and liabilities during the years ended 31st Mar 2020 and 31st Mar 2019 and 31st Mar 2018

Particulars	As at 31st Mar 2018	Charge/(credit) to profit or loss	As at 31st Mar 2019	Charge/(credit) to profit or loss	As at 31st Mar 2020
Deferred tax (assets)/liabilities:					
Property, plant and equipment	2,67,73,876	67,306	2,68,41,182	-35,52,422	2,32,88,761
Current liabilities & provisions				-25,47,273	-25,47,273
Net Deferred tax Liabilities	2,67,73,876	67,306	2,68,41,182	-60,99,695	2,07,41,487

49. Previous year's figures are regrouped/restated wherever required.

Annexure – VII: Restated Statement of Accounting Ratios

(All Amounts in Rupees, unless stated otherwise)

Particulars	As at 31st Mar 20 Standalone	As at 31st Mar 19 Standalone	As at 31st Mar 18 Consolidated
A Net Worth	1,19,03,04,665	1,28,07,70,731	1,27,35,26,459
B Profit attributable to the owners of the equity	10,74,06,119	6,32,53,988	8,15,47,503
C Number of the shares outstanding at the end of the year	1,65,35,923	1,65,35,923	1,65,35,923
D Weighted no. of shares outstanding during the year	1,65,35,923	1,65,35,923	1,63,54,472
E Basic earnings per share	6.50	3.83	4.99
F Diluted earnings per share	6.50	3.83	4.99
I Return on net worth % (B/A)	9.02%	4.94%	6.40%
J Net assets value per share of Rs.10 each	71.98	77.45	77.87
L EBITDA	14,55,93,967	20,40,50,080	22,61,16,114
M Face value	10	10	10

Notes:

1. The amounts disclosed are based on Restated Financial Information of the Company

Basic earnings per share	<u>Net profit as restated, attributable to the owners of the company</u> Weighted average no. of equity shares during the year
Diluted earnings per share	<u>Net profit as restated, attributable to the owners of the company</u> Weighted average no. of dilutive equity shares during the year
Return on net worth (%)	<u>Net profit as restated, attributable to the owners of the company</u> Net worth as restated, including share capital and reserves and surplus, as restated at the end of the year
Net asset value per equity share	<u>Net worth as restated, including share capital and reserves and surplus, as restated at the end of the year</u> No. of equity shares outstanding at the end of the year
EBITDA	Profit before tax and exceptional items + Finance costs + Depreciation and amortisation expense

Annexure – VIII: Restated Statement of Capitalisation
(All Amounts in Rupees, unless stated otherwise)

Particulars		Pre Issue as at 31st Mar 2020	As adjusted for the issue (Post Issue)*
Borrowings:			
Current borrowings	A	44,43,57,912	-
Non-current borrowings	B	19,10,48,804	-
Total borrowings	C=A+B	63,54,06,717	-
Shareholder's fund (Net worth)			
Share Capital	C	16,53,59,230	-
Other Equity	D	1,02,49,45,435	-
Total shareholder's fund(Net worth)	E=C+D	1,19,03,04,665	-
Non-current borrowing's/shareholder's fund (Net worth) ratio	B/E	0.16	-
Total borrowings /shareholders' funds (Net worth) ratio	C/E	0.53	-

Notes:

1. Non-current borrowings are considered as borrowings other than short term borrowings and include current maturities of long term borrowings.
2. The amounts disclosed above are based on the Restated Financial Information of the company

* To be updated in the Letter of Offer

Annexure – IX: Restated Statement of Dividend paid
(All Amounts in Rupees, unless stated otherwise)

Particulars	Financial Performance		
	For the year ended March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2020
Face value per share (in ₹)	10/-	10/-	10/-
Amount of Dividend (in ₹)	1,24,01,943	82,67,962	16,53,593
Dividend per share (in ₹)	0.75	0.5	0.1
Rate of dividend (%)	7.50%	5%	1%
Dividend Tax (%)	20.55%	20.55%	Nil

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations, and our assessment of the factors that may affect our prospects and performance in future periods, together with our Restated Financial Statements as of and for the quarter ended June 30, 2020 and for Financial Years 2020, 2019 and 2018, all prepared in accordance with the Companies Act and Ind AS and restated in accordance with SEBI ICDR Regulations, including the schedules, annexure, notes thereto and the reports thereon, included in the section titled "Financial Information" on page 98 of this Draft Letter of Offer. Unless otherwise stated, financial information used in this section is derived from the Restated Financial Statements.

This discussion and analysis contains forward-looking statements that reflect our current views with respect to future events and our financial performance, which are subject to numerous risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements. You should also read "Forward-Looking Statements" and "Risk Factors" on pages 16 and 21, respectively, which discuss a number of factors and contingencies that could affect our business, financial condition and results of operations. Our Financial Year ends on March 31 of each year and accordingly, references to Financial Year, are to the 12-month period ended March 31 of the relevant year.

RESULTS OF OPERATIONS

Particulars	Fiscal 2020 Standalone		Fiscal 2019 Standalone		Fiscal 2018 Consolidated	
	Amount in ₹	%	Amount in ₹	%	Amount in ₹	%
i. Sale of Services						
Freight	29,09,21,076	8.22	1,26,58,99,118	27.92	1,53,53,17,023	35.79
Co Loading and Cargo Income	2,83,72,48,530	80.18	2,80,35,19,063	61.84	2,31,83,56,401	54.04
Commission	33,98,92,443	9.60	38,50,27,045	8.49	36,58,79,487	8.53
Other Operating Income	60,30,674	0.17	2,30,37,608	0.51	1,72,31,990	0.40
Total Revenue from Operations (i)	3,47,40,92,723	98.17	4,47,74,82,834	98.77	4,23,67,84,901	98.77
ii. Other Income						
Interest Income	99,59,260	0.28	2,28,70,840	0.50	2,64,89,006	0.62
Dividend Income	50,47,374	0.14	78,09,315	0.17	87,05,947	0.20
Other Non-Operating Income	4,96,49,159	1.40	2,52,39,038	0.56	1,77,05,616	0.41
ii. Total Other Income	6,46,55,792	1.83	5,59,19,193	1.23	5,29,00,569	1.23
Total Income (i+ii)	3,53,87,48,516	100.00	4,53,34,02,027	100.00	4,28,96,85,470	100.00

Total Income

Our revenue comprises of:

Revenue from operations

Our revenue from operations consists of Sale of services such as Co Loading and Cargo Income, Commission and Other Operating Income. Revenue from Co Loading and Cargo Income being the main contributor accounted for 80.18%, 61.84 %, 54.50 % of our revenue Financial Year 2020, Financial Year 2019 and Financial Year 2018, respectively.

Other Income

Our other income comprises of Interest Income, Dividend Income and other non-operating income. Our other income accounted for 1.83%, 1.23%, and 1.23% of our revenue for the Financial Year 2020, Financial Year 2019 and Financial Year 2018, respectively.

	Fiscal 2020		Fiscal 2019		Fiscal 2018	
	(Standalone)		(Standalone)		(Consolidated)	
	Amount in ₹	% of Revenue	Amount in ₹	% of Revenue	Amount in ₹	% of Revenue
Income						

	Fiscal 2020		Fiscal 2019		Fiscal 2018	
	(Standalone)		(Standalone)		(Consolidated)	
	Amount in ₹	% of Revenue	Amount in ₹	% of Revenue	Amount in ₹	% of Revenue
Revenue from Operations	3,47,40,92,723	98.17	4,47,74,82,834	98.77	4,23,67,84,901	98.77
Other income	6,46,55,793	1.83	5,59,19,193	1.23	5,29,00,569	1.23
Total Revenue	3,53,87,48,516	100.00	4,53,34,02,027	100.00	4,28,96,85,470	100.00
Expenses						
Operating cost	3,08,16,66,269	87.08	3,79,09,52,472	83.62	3,56,26,69,108	83.05
Employee benefits expense	18,79,83,868	5.31	30,76,33,531	6.79	28,48,84,034	6.64
Finance costs	7,38,90,067	2.09	8,37,29,705	1.85	7,20,59,809	1.68
Depreciation and amortisation expense	3,90,56,867	1.10	4,63,39,082	1.02	4,76,20,370	1.11
Other expenses	12,35,04,412	3.49	23,07,65,943	5.09	21,60,16,215	5.04
Total Expenses	3,50,61,01,483	99.08	4,45,94,20,733	98.37	4,18,32,49,536	97.52
Profit/(loss) before extraordinary, exceptional items and tax	3,26,47,032	0.92	7,39,81,294	1.63	10,64,35,934	2.48
Exceptional items	9,57,28,391	2.71				
Profit before tax	12,83,75,424	3.63	7,39,81,294	1.63	10,64,35,934	2.48
Current Tax	2,70,69,000	0.76	1,20,58,000	0.27	2,50,97,160	0.59
MAT Assets			-13,98,000	0.03		
Deferred Tax	-60,99,695	-0.17	67,306		9,94,724	0.02
(Excess) / Short Provision of Income Tax for earlier years					-12,03,453	-0.03
Total comprehensive Income for the period	7,03,85,994	1.99	3,40,47,486	0.75	40,60,410	0.09
Net Profit for the year	3,70,20,124	1.05	2,92,06,502	0.64	7,74,87,093	1.81

Expenses:

Operating cost

Operating cost comprises of truck hire charges, truck operational expenses, truck repair and maintenance expenses, diesel, oil and grease expenses, taxes and permit, sundry airport expenses, line haul transportation charges, cargo freight charges, handling charges, packing material expenses, miscellaneous operating expenses, insurance, agency commission, Operating cost accounted for 87.08%, 83.62% and 83.05% of our revenue for the Financial Year 2020, Financial Year 2019 and Financial Year 2018, respectively.

Employee benefits expense

Employee benefits expense includes (i) salaries and wages (ii) contribution to provident fund and other funds, and (iii) staff welfare expenses. Employee benefits expense accounted for 5.31%, 6.79 % and 6.64% of our revenue for the Financial Year 2020, Financial Year 2019 and Financial Year 2018, respectively.

Finance costs

Finance cost include interest expense and other borrowing costs. Finance costs accounted for 2.09%, 1.85% and 1.68% of our revenue for the Financial Year 2020, Financial Year 2019 and Financial Year 2018, respectively.

Depreciation and amortization expenses

Depreciation represents depreciation on our property, plant and equipment. Amortization represents amortization of right of use assets and intangible assets. Depreciation is calculated on written down value method over the estimated useful life of all assets, these lives are in accordance with Schedule II to the Companies Act, 2013. The estimated useful lives, residual value and depreciation method are reviewed at end of each reporting period, with the effect of any change in estimate accounted for on prospective basis.

Depreciation and amortization expense accounted for 1.10%, 1.02% and 1.11% of our revenue for the Financial Year 2020, Financial Year 2019 and Financial Year 2018, respectively.

Other expenses

Other expenses include electricity charges, rent, repair to buildings, insurance, printing and stationery, postage and telegram, internet charges, conveyance and travelling, telephone and telex, rate and taxes, legal and professional fees, auditor's remuneration, advertisement, publication and business promotion, director's sitting fees, corporate social responsibility expenditure, miscellaneous expenditure, bad debts written off and preliminary expenses. Other expenses accounted for 3.49 %, 5.09% and 5.04% of our revenue for the Financial Year 2020, Financial Year 2019 and Financial Year 2018, respectively.

Financial Year 2020 compared with Financial Year 2019

Total revenue

Our total revenue, which comprised of revenue from operations and other income, for the Financial Year 2020, was ₹ 3,53,87,48,516 as compared to ₹ 4,53,34,02,027 for the Financial Year 2019, representing a decrease of (21.94)%. This was primarily due to divestment of Surface Transport Division known as 'Patel Roadways' on a going concern basis to Innovative Logistics Service Private Limited, a subsidiary of Stellar Value Chain Solutions Pvt. Ltd. by way of "slump sale". Our Company is therefore focussed majorly on-air cargo consolidation.

Revenue from Operations

Due to the above reason, our revenue from operations decreased ₹ 1,00,33,90,111 by ₹ or by (22.41) % from ₹ 4,47,74,82,834 in Financial Year 2019 to ₹ 3,47,40,92,723 in Financial Year 2020. This decrease was primarily due to decrease in revenue from surface transport freight services and other operating income.

Other Income

Our other income increased by ₹ 87,36,600 or by 15.62 % from ₹ 5,59,19,193 in Financial Year 2019 to ₹ 6,46,55,793 in Financial Year 2020. This increase was driven by increase in other non – operating income.

Expenditure

Due to the divestment of our Company's Surface Transport Division, total expenses decreased by ₹ 95,33,19,250 or by (21.38%) from ₹ 4,45,94,20,733 in Financial Year 2019 to ₹ 3,50,61,01,483 in Financial Year 2020.

Operating cost

Our Operating cost decreased by ₹ 70,92,86,203 or by (18.71) % from ₹ 3,79,09,52,472 in Financial Year 2019 to ₹ 3,08,16,66,269 in Financial Year 2020. This was primarily due to decrease in expenses of Truck Hire charges by ₹ 51,18,11,075 or by (80.77) % from ₹ 63,36,47,977 in Financial Year 2019 to ₹ 12,18,36,902 in Financial Year 2020. Decrease in other expenses such as Truck operational expense, truck repairs and maintenance expenses, Diesel, Oil and grease expenses, miscellaneous operating expenses also attributed to decrease in overall operating cost in Financial Year 2020.

Employee benefits expense

Employee benefits expense decreased by ₹ 11,96,49,663 or by (38.89)% from ₹ 30,76,33,531 in Financial Year 2019 to ₹ 18,79,83,868 in Financial Year 2020. This was primarily due to decrease in salaries and wages and staff related expenses by ₹ (10,71,24,252) and ₹ (23,87,425) respectively. Contribution to Provident and Other funds were decreased by ₹ (1,01,37,987) or by (41.58)% from ₹ 2,43,85,628 in Financial Year 2019 to ₹ 1,42,47,642 in Financial Year 2020. Employee benefit expenses contributed 5.31% of the total revenues for the Financial Year 2020 vis-à-vis 6.79% of the total revenues for the Financial Year 2019.

Finance costs

Finance costs decreased by ₹ (98,39,637) or by (0.23)% from ₹ 8,37,29,705 in Financial Year 2019 to ₹ 7,38,90,067 in Financial Year 2020. This decrease in finance costs was primarily on account of decrease in interest expenses and other borrowing costs. Finance cost contributed 2.09 % of the total revenues for the Financial Year 2020 vis-à-vis 1.85% of the total revenues for the Financial Year 2019.

Depreciation and amortisation expense

Also due to the divestment of our Company's Surface Transport Division, our depreciation and amortization expense decreased by ₹ 72,82,215, or (15.71)%, from ₹ 4,63,39,082 in Financial Year 2019 to ₹ 3,90,56,867 in Financial Year 2020. The decrease in depreciation was primarily due to sale of assets.

Other expenses

Accordingly, other expenses decreased by ₹ 10,72,61,531 or by (46.48) % from ₹ 23,07,65,943 in Financial Year 2019 to ₹ 12,35,04,412 in Financial Year 2020. This was primarily due a decrease of (i) ₹ 3,31,35,136 in rent expenses, and (ii) ₹ 4,15,77,165 in miscellaneous expenses amongst other expenses.

Profit before tax

In light of above discussions, our profit before tax increased by ₹ 5,43,94,130 or by 73.52% from ₹ 7,39,81,294 in Financial Year 2019 to ₹ 12,83,75,424 in Financial Year 2020.

Tax expense

Our total tax expense increased by ₹ 1,02,42,000 or by 95.49% from ₹ 1,07,27,306 in Financial Year 2019 to ₹ 2,09,69,305 in Financial Year 2020 due to increase in profits before tax.

Profit

For the various reasons discussed above, and following adjustments for tax expense, we recorded an increase in our profit by ₹ 78,13,622 or by 26.75 % from ₹ 2,92,06,502 in Financial Year 2019 to ₹ 3,70,20,124 in Financial Year 2020. This was due to improvement in the margins due to profit on sale of surface transport division through slump sale.

Financial Year 2019 compared with Financial Year 2018

Total revenue

Our total revenue increased by ₹ 24,37,16,557, or by 5.68 %, from ₹ 4,28,96,85,470 in the Financial Year 2018 to ₹ 4,53,34,02,027 in the Financial Year 2019. This was primarily due to an increase in our revenue from operations and other non-operating income.

Revenue from Operations

Our revenue from operations increased by ₹ 24,06,97,933 or by 5.68 % from ₹ 4,23,67,84,901 in Financial Year 2018 to ₹ 4,47,74,82,834 in Financial Year 2019. This increase was primarily due to increase in revenue from cargo loading and cargo income, commission and other operating income.

Other Income

Our other income increased by ₹ 30,18,624 or by 5.71% from ₹ 5,29,00,569 in Financial Year 2018 to ₹ 5,59,19,193 in Financial Year 2019. This increase was driven by increase in other non-operating income.

Expenditure

Total expenses increased by ₹ 27,61,71,197 or by 6.60% from ₹ 4,18,32,49,536 in Financial Year 2018 to ₹ 4,45,94,20,733 in Financial Year 2019. This was on account of increase in expenses related to employee benefit, finance costs and other expenses.

Operating cost

Our Operating cost increased by ₹ 22,82,83,364 or by 6.41% from ₹ 3,56,26,69,108 in Financial Year 2018 to ₹ 3,79,09,52,472 in Financial Year 2019. This was primarily due to increase in cargo freight charges by 41,72,44,337 or by 19.86% from ₹ 2,10,07,92,187 in Financial Year 2018 to ₹ 2,51,80,36,524 in Financial Year 2019, ₹ 40,94,469 increase in sundry airport expenses and ₹ 70,41,623 increase in line-haul transportation expenses.

Employee benefits expense

Employee benefits expense increased by ₹ 22,82,83,364 or by 7.99% from ₹ 28,48,84,034 in Financial Year 2018 to ₹ 30,76,33,531 in Financial Year 2019. This was primarily due to a general increase in the salaries and wages and staff welfare expenses. Employee benefit expenses contributed 6.79% of the total revenues for the Financial Year 2019 vis-à-vis 6.64% of the total revenues for the Financial Year 2018.

Finance costs

Finance costs increased by ₹ 1,16,69,896 or by 16.19% from ₹ 7,20,59,809 in Financial Year 2018 to ₹ 8,37,29,705 in Financial Year 2019. This was primarily due to increase in interest expense and borrowing costs. Finance cost contributed 1.85% of the total revenues for the Financial Year 2019 vis-à-vis 1.68% of the total revenues for the Financial Year 2018.

Depreciation and amortisation expense

Without any major addition in the fleet/assets of our Company, our depreciation and amortization expense decreased by ₹ 12,81,288, or (1.02) %, from ₹ 4,76,20,370 in Financial Year 2018 to ₹ 4,63,39,082 in Financial Year 2019.

Other expenses

Other expenses increased by ₹ 1,47,49,728 or by 6.83 % from ₹ 21,60,16,215 in Financial Year 2018 to ₹ 23,07,65,943 in Financial Year 2019. This was primarily due an increase of (i) ₹ 68,00,299 in advertisement, publicity and business promotion expenses and (ii) ₹ 59,18,115 in legal and professional fees amongst other expenses.

Profit before tax

In light of above discussions, our profit before tax decreased by ₹ 3,24,54,640 or by (30.49) % from ₹ 10,64,35,934 in Financial Year 2018 to ₹ 7,39,81,294 in Financial Year 2019.

Tax expense

Our total tax expense decreased by ₹ 1,41,61,125 or by 56.90% from ₹ 2,48,88,431 in Financial Year 2018 to ₹ 1,07,27,306 in Financial Year 2019. This was largely driven by decrease in current tax by ₹ 1,30,39,160 from ₹ 2,50,97,160 in Financial Year 2018 to ₹ 1,20,58,000 in Financial Year 2019 and decrease in deferred tax by ₹ 9,27,418.00 from ₹ 9,94,724 in Financial Year 2018 to ₹ 67,306 in Financial Year 2019.

Profit

For the various reasons discussed above, we recorded a decrease in our profit by ₹ 4,82,80,591 or by (62.31) % from ₹ 7,74,87,093 in Financial Year 2018 to ₹ 2,92,06,502 in Financial Year 2019.

Quarter ended June 30, 2020 compared with Quarter ended June 30, 2019

Particulars	Qtr ended June 30,2020		Qtr ended June 30,2019	
	Amount in ₹	%	Amount in ₹	%
i. Sales of Services				
Freight	3,00,00,000	17.94	27,05,92,000	26.81
Co Loading and Cargo Income	128,318,168	76.72	63,75,36,000	63.16
Commission	490,757	0.29	9,30,87,000	9.22
Other Operating Income	-		32,81,000	0.33
Total Revenue from Operations (i)	15,88,08,925	94.95	1,00,44,96,000	99.51
ii. Other Income				
Interest Income	63,73,490	3.82	28,63,000	0.28
Dividend Income	1,25,166	0.07	2,64,000	0.03
Other Non-Operating Income	19,42,595	1.16	18,42,000	0.18
ii. Total Other Income	84,41,251	5.05	49,69,000	0.49
Total Income (i+ii)	16,72,50,176	100.00	1,00,94,65,000	100.00

Particulars	Quarter ended June 30, 2020		Quarter ended June 30, 2019	
	(Standalone)		(Standalone)	
	Amount in ₹	% of Revenue	Amount in ₹	% of Revenue
Income				
Revenue from Operations	15,88,08,000	94.95	1,00,44,96,000	99.51
Other income	84,41,000	5.05	49,69,000	0.49
Total Revenue	16,72,50,000	100	1,00,94,65,000	100
Expenses				
Operating cost	11,92,34,000	71.29	90,53,08,000	89.68
Employee benefits expense	2,48,90,000	14.88	7,16,16,000	7.09
Finance costs	1,74,08,000	10.41	2,20,12,000	2.18
Depreciation and amortisation expense	63,83,000	3.82	1,16,66,000	1.16
Other expenses	1,08,62,000	6.49	5,62,73,000	5.57
Total Expenses	17,87,79,000	106.89	1,06,68,75,000	105.69
Profit/(loss) before extraordinary, exceptional items and tax	(1,15,29,000)	-6.89	(5,74,10,000)	-5.69
Exceptional items			12,74,20,000	12.62
Profit before tax	(1,15,29,000)	-6.89	7,00,09,000	6.94
Current Tax			1,59,78,000	1.58
MAT Assets	-	-	-	-
Deferred Tax	(16,49,000)	-0.99	(7,93,000)	-0.08
(Excess) / Short Provision of Income Tax for earlier years	(96,000)	-0.06	-	-
Total comprehensive Income for the period	(7,12,000)	-0.43	21,47,000	0.21
Net Profit for the year	(90,70,000)	-5.42	5,26,77,000	5.22

Total revenue

Our total revenue for the quarter ended June 30, 2020 was ₹ 16,72,50,000 as compared to ₹ 1,00,94,64,000 for the quarter ended June 30, 2019, representing a decrease of (83.43)%. This significant decrease was due to the impact of COVID 2019 lockdown imposed by the Central and various State governments.

Revenue from Operations

Our revenue from operations decreased by ₹ 84,56,88,000 or by (84.19) % from ₹ 1,00,44,96,000 in Quarter ended June 30, 2019 to ₹ 15,88,08,000 in June 30, 2020.

Other Income

Our other income increased by ₹ 34,73,000 or by 69.91 % from ₹ 49,68,000 in Quarter ended June 30, 2019 to ₹ 84,41,000 in June 30, 2020.

Expenditure

Total expenses decreased by ₹ 88,80,96,000 or by (83.24%) from ₹ 1,06,68,75,000 in Quarter ended June 30, 2019 to ₹ 17,87,79,000 in June 30, 2020.

Operating cost

Our Operating cost decreased by ₹ 78,60,73,000 or by (86.83) % from ₹ 90,53,07,000 in Quarter ended June 30, 2019 to ₹ 11,92,34,000 in June 30, 2020.

Employee benefits expense

Employee benefits expense decreased by ₹ 4,67,25,000 or by (65.24)% from ₹ 7,16,15,000 in Quarter ended June 30, 2019 to ₹ 2,48,90,000 in June 30, 2020. However, with the revenue impacted negatively, employee benefit expenses contributed 14.88% of the total revenues for the Quarter ended June 30, 2020 vis-à-vis 7.09% of the total revenues for the Quarter ended June 2019.

Finance costs

Finance costs decreased by ₹ 46,03,000 or by (20.91) % from 2,20,11,000 in Quarter ended June 30, 2019 to ₹ 1,74,08,000 in June 30, 2020. However, finance costs contributed 10.41% of the total revenues for the Quarter ended June 30, 2020 vis-à-vis 2.18% of the total revenues for the Quarter ended June 2019.

Depreciation and amortisation expense

Depreciation and amortisation expense decreased by ₹ 52,83,000 or by (45.29) % from ₹1,16,66,000 in Quarter ended June 30, 2019 to ₹ 63,83,000 in June 30, 2020.

Other expenses

With the decrease in revenue, other expenses also decreased by ₹ 4,54,11,000 or by (80.70)% from ₹ 5,62,73,000 in Quarter ended June 30, 2019 to ₹ 1,08,62,000 in June 30, 2020.

Profit before tax

Profit before tax decreased by ₹ 8,15,38,000 or by (116.47) % from ₹ 7,00,09,000 in Quarter ended June 30, 2019 to ₹ 1,15,29,000 in June 30, 2020.

Tax expense

Tax expense decreased by ₹ 1,69,30,000 or by (111.49) % from ₹ 1,51,85,000 in Quarter ended June 30, 2019 to ₹ 17,45,000 in June 30, 2020.

Profit

Profits decreased by ₹ 6,17,47,000 or by (117.22) % from ₹ 5,26,77,000 in Quarter ended June 30, 2019 to ₹ (90,70,000) in June 30, 2020.

Cash Flows

The following table sets forth certain information relating to our cash flows under Ind AS in Financial Year 2020, Financial Year 2019 and Financial Year 2018:

Particulars	As at 31st Mar 20 (Standalone)	As at 31st Mar 19 (Standalone)	As at 31st Mar 18 (Consolidated)
Net cash flow from operating activities	(17,76,74,720)	(2,74,14,011)	5,76,06,925
Net cash flow used in investing activities	40,10,61,239	63,36,286	(11,45,69,366)
Net cash flow (used in)/from financing activities	(17,51,16,403)	(7,36,06,619)	3,97,31,004
Net increase in cash and cash equivalents	4,82,70,116	(9,46,84,343)	(1,72,31,437)
Cash and cash equivalents at the beginning of the year	(32,50,40,021)	(23,03,55,678)	(21,30,83,740)
Cash and cash equivalents at the end of the year	(2,76,76,906)	(32,50,40,021)	(23,03,15,177)

Net cash generated from operating activities

Net cash generated from operating activities in the Financial Year 2020 was ₹ (17,76,74,720) and our profit before tax was ₹ 12,83,75,424. The difference was on account of operating loss attributed to sale of business unit of ₹ 12,74,20,426, loss on sale of assets of ₹ 18,29,835, depreciation of ₹ 3,90,56,867, Finance costs of ₹ 7,38,90,067, Dividend income of ₹ (50,47,374) and Interest income of ₹ (99,59,260) and thereafter change in trade receivables and trade payables of ₹ (22,94,26,870) and ₹ 43,53,840 respectively, resulting in gross cash generated from operations at ₹ (17,76,74,720).

Net cash generated from operating activities in the Financial Year 2019 was ₹ (2,74,14,011) and our profit before tax that period was ₹ 7,39,81,294. The difference was on account of loss on sale of assets of ₹ 1,04,82,218, depreciation of ₹ 4,63,39,082, Finance costs of ₹ 8,37,29,705, Dividend income of ₹ (78,09,315) and Interest income of ₹ (2,28,70,840) and thereafter change in trade receivables and trade payables of ₹ (23,14,273) and ₹ (10,89,95,207), respectively, resulting in gross cash generated from operations at ₹ (2,74,14,011).

Net cash generated from operating activities in the Financial Year 2018 was ₹ 5,76,06,925 and our profit before tax that period was ₹ 10,64,35,934. The difference was on account of loss on sale of assets of ₹ (1,05,93,855), Depreciation of ₹ 4,76,20,370, Dividend income of ₹ (87,05,947), Interest income of ₹ (2,64,89,006), finance cost of ₹ 7,20,59,809 and thereafter change in trade receivables and trade payables of ₹ (22,51,02,647) and 9,03,48,195 respectively.

Net cash used in investing activities

In the Financial Year 2020, our net cash used in investing activities was ₹ 40,10,61,239. This was on account of (i) proceeds of ₹ 34,00,00,000 received from sale of business unit during the year. (ii) Sale of Fixed assets of ₹ 7,15,21,422 (iii) Sale of current/non-current investments (net) of ₹ 1,15,26,605. We also received interest income of ₹ 99,91,760 and dividend income of ₹ 50,47,374 during the said year.

In the Financial Year 2019, our net cash used in investing activities was ₹ 63,36,286. This was on account of (i) Sale of Fixed assets of ₹ 2,51,62,794. (ii) Sale of current/non-current investments (net) of ₹ 1,05,18,403. We also received interest income of ₹ 2,29,14,604 and dividend income of ₹ 78,09,315 during the said year.

In the Financial Year 2018, our net cash used in investing activities was ₹ (11,45,69,366). This was on account of purchase of fixed assets of ₹ 10,59,55,758, purchase of current/ non-current investment (net) of ₹ 2,69,98,739 and increase in working capital changes of ₹ 2,24,57,088.

Net cash generated from/ used in financing activities

In the Financial Year 2020, our net cash generated from financing activities was ₹ (17,51,16,403). This was primarily due to repayment of ₹ 4,91,22,000 received towards proceeds from public deposits (net), ₹ 3,17,25,101 repaid as long-term borrowings (net). We also paid an interest and dividend of ₹ 7,61,25,211 and ₹ 99,67,466 respectively.

In the Financial Year 2019, our net cash used in financing activities was ₹ (7,36,06,619). This was primarily due to payment of interest and dividend of ₹ 8,50,60,282 and 1,49,51,199 respectively. We also received proceeds of ₹ 68,15,000 from public deposits and ₹ 1,95,89,862 as proceeds from long term borrowings (net) during that year.

In the Financial Year 2018, our net cash used in financing activities was ₹ 3,97,31,004. This was primarily due to proceeds of ₹ 1,05,41,000 received from public deposits, ₹ 5,60,03,074 received as proceeds from issue of equity shares and ₹ 5,08,69,465 received as proceeds from long term borrowings (net).

Contingent liabilities

As of March 31, 2020, the estimated amount of contingent liabilities and not provided for are:

1. Counter guarantees given to Banks against credit facilities ₹ 2,33,15,000/-.
2. Counter guarantees given to Late Mr. Areef Patel, Executive Vice Chairman for guarantees provided by him against credit facilities ₹ 33,65,00,000/- for which no monetary benefit has accrued to Late Mr. Areef Patel, Executive Vice Chairman.
3. Claims against the Company not acknowledged as debts ₹ 6,16,09,804/-

Capital expenditures

Our historical capital expenditures were, and we expect our future capital expenditures to be, primarily for investments in property, office equipment and expenditures for our warehousing facilities and other assets that shall be utilised to further our business operations.

OFF-BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet arrangements that have or which we believe reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenue or expenses, operating results, liquidity, capital expenditure or capital resources.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business including purchase of fixed assets, rent paid and managerial remuneration. For further information relating to our related party

transactions, see “*Financial Statements – Restated Financial Statements – Notes to Restated Financial Statements – Note 41 – Related party disclosures*” on page 135.

Reservations, Qualifications and Adverse Remarks by the statutory auditors

There are no reservations, qualifications and adverse remarks by our Statutory Auditors during the last three financial years.

Details of Default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues or repayment of debentures or repayment of deposits or repayment of loans from any bank or financial institution

There have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company for Financial Year 2018, Financial Year 2019 and Financial Year 2020.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, during the last three financial years.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the risk of loss related to adverse changes in market prices, including interest rates. In the normal course of business, we are exposed to certain market risks including interest risk.

Interest rate risk

Interest rate risk results from changes in prevailing market interest rates, which can cause a change in the fair value of fixed-rate instruments and changes in the interest payments of the variable-rate instruments. Our operations are funded to a certain extent by borrowings. Our current loan facilities carry interest at variable rates as well as fixed rates. We mitigate risk by structuring our borrowings to achieve a reasonable, competitive cost of funding. There can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us adequately against interest rate risks.

Liquidity risk

Adequate and timely cash availability for our operations is the liquidity risk associated with our operations. Our Company’s objective is to all time maintain optimum levels of liquidity to meet its cash and collateral requirements. We employ prudent liquidity risk management practices which inter-alia means maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities.

Credit Risk

We are exposed to the risk that our counterparties may not comply with their obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables.

We consider our customers to be creditworthy counterparties, which limits the credit risk, however, there can be no assurance that our counterparties may not default on their obligations, which may adversely affect our business and financial condition. In this regard we have contingent liabilities (claims against the Company not acknowledged as debts) to the tune of ₹ 6,16,09,804/- as on March 31, 2020.

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

1. Unusual or infrequent events or transactions

As on date, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary

reduction of expenses. However, during the financial year 2019-2020 our Company has divested its Patel Roadways Division on a going concern basis to Innovative Logistics Service Private Limited, a subsidiary of Stellar Value Chain Solutions Pvt. Ltd. by way of “slump sale”, for a consideration of ₹ 34.00 cr. with effect from July 01, 2019.

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

Apart from the risks as disclosed under Section “*Risk Factors*” beginning on page 21, there are no significant economic changes that may materially affect or likely to affect 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 21, 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. Future changes in relationship between costs and revenues

Our Company’s future costs and revenues will be determined by demand/supply situation, both of the end services provided by us as well as the prices of our service suppliers, government policies and budget constraints of our customer(s).

5. Increases in net sales or revenue and Introduction of new products or services or increased sales prices

Increases in revenues shall by and large linked to increases in volume of business.

6. Status of any publicly announced New Products or Business Segment

Except as disclosed elsewhere in the Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

7. Total Turnover of Each Major Industry Segment in Which the Issuer Operates

Our Company currently operates in the logistics sector, with major focus on air cargo business. Details of the industry turnover and other relevant information is disclosed in the section “*Industry Overview*” beginning on page 68.

8. Seasonality of business

Our Company’s business is not seasonal in nature.

9. Any Major Dependence on a single or few suppliers or customers

Other than as described in this Draft Letter of Offer, particularly in sections “*Risk Factors*” on page 21 to our knowledge, there is no significant dependence on a single or few customers or suppliers.

10. Competitive conditions:

Competitive conditions are as described under the chapters “*Industry Overview*” and “*Our Business*” beginning on pages 68 and 76 respectively.

11. Significant Developments after March 31, 2020 that may affect our results of operations

There have not arisen, since the date of the last financial statements disclosed in this Draft Letter of Offer, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months. For further information, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operation*”, “*Our Business*” and “*Risk Factors*” on pages 142, 76 and 21, respectively.

Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

In view of the nationwide lockdown announced by the Government of India to control the spread of COVID-19, the Company's business operations were disrupted from March 24, 2020. Air cargo business operations were largely affected due to limited operation of Airlines, hence impacting our Company's business operations adversely. Our Company's business activities were impacted due to sudden cancellation of the flights schedule by the domestic and international airlines due to lockdown. The future impact of COVID-19 on operations of our Company largely depends upon how fast the airline operations are restored to normalcy for air-cargo operations, which is in-turn dependent on the severity of the pandemic. Our Company is taking and shall take all necessary measures to minimise the impact of the challenges being faced in the business in order to revive its activities and gain momentum.

FINANCIAL INDEBTEDNESS

Set forth below is a brief summary of all the borrowings of our Company together with a brief description of certain significant terms of such financing arrangements. As on September 30, 2020, our total outstanding secured borrowing was ₹ 5,160.12 lakhs and total outstanding unsecured borrowing was ₹ 1,493.81 lakhs.

Further, pursuant to a special resolution passed in the Annual General Meeting of our Company held on July 23, 2014, the Board of Directors or any committee thereof to borrow at its discretion, either from the Company's bankers or any other Indian or Foreign Bank(s), Financial Institution(s), and /or any other Lending Institutions. Body corporates or persons from time to time, such sum of money and the sum to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) with or without security on such terms and conditions as they may think fit shall exceed the aggregate of the paid up share capital and free reserves of the Company that is to say reserves not set apart for any specific purpose. provided that the total amount together with the money(s) already borrowed by the Board of Directors shall not at any time exceed the sum of ₹ 15,000 lakhs.

SECURED BORROWING

The following table provides the details of the secured loans availed by our Company as on September 30, 2020:

(₹ in lakhs)

Sr. No.	Nature of Facilities	Amount Sanctioned by HDFC Bank Limited*	Amount Sanctioned by IndusInd Bank Limited **	Amount Sanctioned by DCB bank Limited ***	Amount Sanctioned by Saraswat Co-operative Bank Limited ****	Amount Sanctioned by PNB Housing Finance Limited *****	Amount Sanctioned by DHFL *****	Amount Sanctioned by Bajaj Finserv Limited *****	Total Sanctioned Amount	Amount outstanding as on September 30, 2020
1. Fund Based										
	Cash Credit	1,360.00	1,600.00#	1,000	-	-	-	-	3,960	3778.62
2.	Total Fund Based	1,360.00	1,600.00#	1,000	-	-	-	-	3,960	3778.62
3. Non-Fund Based										
	Working Capital Demand Loan	-	(1,600.00)	(1,000)	-	-	-	-	-	-
	(Sub limited to CC for the loan availed from IndusInd Bank Limited and DCB Bank Limited)									
	Bank Guarantee	330.00	0.25#	(200)	-	-	-	-	330.25	225.40
	(Sub limited to CC for the loan availed from IndusInd Bank Limited and DCB Bank Limited)									
	Letter of Credit	-	0.00	(200)	-	-	-	-	-	-
	(Sub limited to CC for the loan availed from IndusInd Bank Limited and DCB Bank Limited)									
4.	Total Non Fund Based	330.00	0.25	-	-	-	-	-	330.25	225.40
5.	Total Limits (2+4)	1,690	1,600.25	1,000	-	-	-	-	4,290.25	4004.02
6.	Secured Long Term Loan									

Sr. No.	Nature of Facilities	Amount Sanctioned by HDFC Bank Limited*	Amount Sanctioned by IndusInd Bank Limited **	Amount Sanctioned by DCB bank Limited ***	Amount Sanctioned by Saraswat Co-operative Bank Limited ****	Amount Sanctioned by PNB Housing Finance Limited *****	Amount Sanctioned by DHFL *****	Amount Sanctioned by Bajaj Finserv Limited *****	Total Sanctioned Amount	Amount outstanding as on September 30, 2020
	Loan against Property (Non-housing Loan)	-	-	-	-	152.50	-	-	152.50	145.70
	Loan against Property (Non-housing Loan)	-	-	-	-	89.25%	-	-	89.25	82.70
	Term Loan against property	-	-	-	850.00	-	-	-	850.00	447.25
	Term loan for purchase of house (11 terms loans have been availed from DHFL)	-	-	-	-	-	242.90	-	242.90	235.45
	Loan against securities	-	-	-	-	-	-	300.00	300.00	245.00
7.	Total secured long term facility	-	-	-	850.00	241.75	242.90	300.00	1,634.65	1156.10
8.	Total Facilities (5+7)	1,690	1,600.25#	1,000	850.00	241.75	242.90	300.00	5,925.40	5160.12

*HDFC Bank Limited has sanctioned the abovementioned facilities vide its sanction letter dated August 21, 2020.

**IndusInd Bank Limited has sanctioned the abovementioned facilities vide its sanction letter dated November 21, 2017.

*** DCB Bank Limited has sanctioned the abovementioned facilities vide its sanction letter dated January 04, 2020.

****Saraswat Co-operative Bank Limited has sanctioned the abovementioned facilities vide its sanction letters dated September 02, 2020.

*****PNB Housing Finance Limited has sanctioned the abovementioned facilities vide its sanction letters dated May 22, 2018.

*****DHFL has sanctioned the abovementioned facilities vide its loan agreement dated August 31, 2017

*****Bajaj Finserv Limited has sanctioned the abovementioned facilities vide its sanction letter dated March 18, 2020.

#The loan sanctioned by IndusInd Bank Limited vide its sanction letter dated November 21, 2017 was for an amount of ₹ 2,500 lakhs and our Company filed a charge form with the Registrar of Companies intimating the creation of charge for the same amount. The Bank sanctioned the amount keeping in view the mortgage which was to be created for securing the said loan. As of date, IndusInd Bank Limited has not been able to create a mortgage over the properties of the Company, therefore the loan amount reflecting in the books of accounts of the Company and sanctioned by the bank is for an amount of ₹ 1,600.75 lakhs. The revised facility has been acknowledged by IndusInd Bank Limited vide its emails dated March 06, 2020 and June 25, 2020. Since, the bank has not issued a revised sanction letter reflecting the modification in the loan facility, we cannot file the relevant modification forms with the Registrar of Companies. Therefore, there is a discrepancy with respect to the sanctioned amount on the index of charges maintained by the Registrar of Companies and the financials statements of our Company.

% We have not filed Form CHG-1 for intimating the RoC, about creation of charge for this loan.

Principal terms of borrowings availed by the Company:

a. Interest:

The interest rate charged by the banks has been provided below:

- 1) **Working Capital Facilities:** The interest rate charged for working capital facilities is floating in nature and ranges from 8.00% p.a. to 10.80% p.a. above three months to one year marginal cost of fund based lending rates (“MCLR”).
- 2) **Term Loan Facility:** The interest rate charged for the term loan facility availed from Saraswat Co-operative Bank Limited is floating in nature, the rate charged by the Bank is 3.75% of the Prime Lending Rate (“PLR”) i.e. 10.25% per annum; PNB Housing Finance Limited is floating in nature at the rate of 10% to 12% per annum; DHFL is a floating rate of interest at the rate of 18.20% of Retail Prime Lending Rate (“RPLR”) – 9.20 i.e. effective rate of 9% per annum; and Bajaj Finserv Limited is a fixed interest rate of 9.75% per annum.

- b. **Tenor:** The working capital facilities availed from HDFC Bank Limited are valid until May 31, 2021. The working capital facilities availed from IndusInd Bank Limited and DCB Bank Limited are repayable on demand. The tenor of the sub-limits ranges from 04 months to 18 months.

The tenor of the term loans ranges from 24 months to 180 months.

c. Security Details of the above mentioned borrowings:

1) HDFC Bank Limited

a) Current Assets:

Pari-passu charge on book debts or debtors, receivables both present and future pertaining to our Company secured with IndusInd Bank Limited and DCB Bank Limited.

b) Fixed Assets:

Pari-passu charge on :

- i) 5th and 6th floor plot number 48 of plot number 68, Survey number G/389/19, Village Danda, Near Rajesh Khana Garden, Patel House, block P, Ghazdhar scheme, Santacruz west, Mumbai- 400 054; and
- ii) Unit No. 607, 608, 611 on 6th floor, the Avenue, Opp Hotel Leela, Andheri East, Mumbai – 400 0 069.

- c) Additional security on the fixed deposit of our Company of an amount of ₹ 200 lakhs.

2) IndusInd Bank Limited

- i. First *pari-passu* charge by way of hypothecation on:

a) Current Assets:

The whole of the Current Assets of the Company, namely stocks of raw materials, stock in process, semi-finished and finished goods, stores and spares not relating to plant and machinery (consumable stores and spares), dills, receivables and book debts etc., and all other current assets both present and future, whether now lying loose or in cases, or which are now lying or stored in or about a shall hereinafter from time to time during the continuance of the security of these presents be brought info or upon or be stored or be in or about of the Company's factories, premises and godowns may be or he held by any party to the order or disposition of the Company or In the course of transit, or on high seas, or on order or delivery, howsoever and wheresoever in the possession of the Company and either by way of substitution or addition.

b) Plant and machinery and movable assets:

All present and future of the movable properties of the Company Including without limitation its movable plant and machinery, furniture and fittings, equipment, computers hardware, computer software, machinery Spares, tools and accessories and other movables, both whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about all the Company's premises, warehouses, stockyards and godowns or those of the Barrowers agents, affiliates, associates or representatives or at various worksites or at any up county place or places or wherever else the same may be or be held by any party.

c) Book Debts:

All present and future book debts, outstanding's moneys receivable, claims and bills which are now due and owing or which may at any time during the continuance of this security become due and owing to the Company in the course of its business by any person, firm, company or beady corporate or by the Government Department or office or any Municipal or Local or Public or Semi Government body or authority or any body corporate or undertaking or project whatever in the public sector.

3) DCB Bank Limited

- i. First *pari-passu* charge by way of hypothecation on the current assets of the Company (both present and future including receivables) of the POBC division of the Company.
- ii. First *pari-passu* charge by way of an equitable mortgage on the following assets of the Company:
 - a) Plot number P-39, Nashik Industrial Area, Nashik Municipal Council, Nasik;
 - b) Unit number 307, 308, 309 and 310 in third floor, Survey number 46/1 + 3C/4252 admeasuring 2650 square feet situated at Akurdi Village, Taluka Haveli in the district Pune; and
 - c) Office number 003, ground floor, Krishna Green Land Park, admeasuring 38.74 square meters, situated at village Vadavali, Taluka and district, Thane.
- iii. An additional security on our fixed deposits of ₹ 350 lakhs has been created.

4) Saraswat Co-operative Bank Limited

First *pari-passu* charge by way of equitable mortgage on the immovable property situated at:

All that premises consisting of and lying being and situate at and including the land bearing Plot No. 181-B, in the Avverahalli Industrial Area comprised in survey numbers part of 11/1, 11/2, 11/3, 11/4, 11/5 and 11/6, of village - Avverahalli, Sompura Hobli, Nelamangala Taluk, Bengaluru Rural District, admeasuring about 8903.40 sq. mtrs. or thereabouts along with Industrial Building consisting of Ground Floor Block A&B admeasuring about 40400 square feet and mezzanine floor block A&B admeasuring about 2100 square feet constructed thereon and all such additional structure to be constructed thereon.

5) PNB Housing Finance Limited

First *pari-passu* charge by way of mortgage on the immovable property situated at:

- a) Unit Number 609 and 610, 6th floor, The Avenue, Andheri Kurla road, Marol, Andheri (East), Mumbai – 400 069, Maharashtra, India; and
- b) Office No. 504, 5th Floor, The Crescent Business Park, Andheri-Kurla Road, Sakinaka, Mohili, Andheri East, Mumbai, Maharashtra 400 072, Maharashtra, India.

6) DHFL

First *pari-passu* charge by way of mortgage on the immovable property situated at:

- a) Flat No. E2 204, Landmark Dreamz Survey No. 95/1, 97, 98 / Singapura Village Yelahanka Bangalore-560 014, Karnataka, India;
- b) Flat No. E3 304, Landmark Dreamz Survey No. 95/1, 97, 98 / Singapura Village Yelahanka Bangalore-560 014, Karnataka, India;
- c) Flat No. E2 202, Landmark Dreamz Survey No. 95/1, 97, 98 / Singapura Village Yelahanka Bangalore-560 014, Karnataka, India;
- d) Flat No. E4 002, Landmark Dreamz Survey No. 95/1, 97, 98 / Singapura Village Yelahanka Bangalore-560 014, Karnataka, India;
- e) Flat No. E1 003, Landmark Dreamz Survey No. 95/1, 97, 98 / Singapura Village Yelahanka Bangalore-560 014, Karnataka, India;
- f) Flat No. E3 301, Landmark Dreamz Survey No. 95/1, 97, 98 / Singapura Village Yelahanka Bangalore-560 014, Karnataka, India;
- g) Flat No. E4 001, Landmark Dreamz Survey No. 95/1, 97, 98 / Singapura Village Yelahanka Bangalore-560 014, Karnataka, India;
- h) Flat No. E4 304, Landmark Dreamz Survey No. 95/1, 97, 98 / Singapura Village Yelahanka Bangalore-560 014, Karnataka, India;
- i) Flat No. E2 302, Landmark Dreamz Survey No. 95/1, 97, 98 / Singapura Village Yelahanka Bangalore-560 014, Karnataka, India;

- j) Flat No. E3 002, Landmark Dreamz Survey No. 95/1, 97, 98 / Singapura Village Yelahanka Bangalore-560 014, Karnataka, India; and
- k) Flat No. E4 201, Landmark Dreamz Survey No. 95/1, 97, 98 / Singapura Village Yelahanka Bangalore-560 014, Karnataka, India.

7) Bajaj Finserv Limited

First *pari-passu* charge by way of lien against:

- a) 1,36,707 units of Essel Large Cap Equity Fund – Annual Dividend Payout bearing folio number of 9102744096;
- b) 74,796 units of HDFC Capital Builder Fund Direct Plan Dividend held under folio number 12304259/88;
- c) 6,45,642 units of ICICI Prudential Balanced Advantage Fund Direct Plan- Monthly Dividend held under folio number 8810242/28;
- d) 27,712 units of Nippon India Growth Fund Direct Plan Dividend Plan held under folio number 419184338381; and
- e) 3,11,502 units of JM Equity Hybrid Fund – Annual Dividend option held under folio number 71010780956.

d. Personal Guarantee: Nil

e. Repayment: The term loans availed by our Company are typically repayable in annually, monthly, quarterly and semi-annually instalments and the working capital facilities are typically repayable on demand.

f. Restrictive Covenants under the Secured Loans:

Our Company shall not without the prior consent of the bank:

- effect any major change in the shareholding pattern, management control, or make investments in fixed assets, in associates/ group companies except to the extent projected in the data submitted to the bank after making due provisions;
- inform the Bank about all changes financial or others which may affect the working, business or capacity to repay the aforesaid facilities sanctioned by the Bank, or interest thereon immediately on the happening of such contingency or even before such contingency takes place as soon as you apprehend the happening of any such contingency;
- inform the Bank about happening of any event likely to have substantial effect on their profit or business, if for instance 06 (six) months are substantially less than what had been indicated to the Bank, the Company shall inform the Bank accordingly, with explanations and the remedial steps proposed to be taken;
- prior to opening of accounts;
- routing of the business of the Company through other associate/group companies;
- effect any change in capital structure;
- formulate any scheme of amalgamation or reconstitution;
- implement any major scheme of expansion. However normal capital expenditure or the capital expenditure projected in data furnished to the Bank would not be covered by this covenant;
- invest by way of share capital in or lend or advance funds to or place deposits with any other concern;
- enter into additional borrowing arrangements (including securitization of receivables or provide escrow facilities), either secured or unsecured, with any Bank, Financial Institutions, Company or otherwise;
- undertake guarantee obligations on behalf of any other Company etc.;
- allow the promoters & promoter family/directors to alienate, transfer, dispose or dilute their shareholding beyond 40%;
- declare dividend for any year out of profits relating to the year if any of the financial commitments to the Bank have not been duly met;
- repay monies brought in by promoters/directors, principal shareholders, friends and relative in the business by way of loans/deposits/share application money etc. and pay interest on any unsecured loan brought in as a quasi-equity;
- enter into long term contractual obligation/s directly affecting the financial position of the Company;
- sell, assign, mortgage or otherwise dispose off any of the assets charged to the Bank;
- effect change in constitution;
- execute any further expansion by way of joint ventures or further dilution of equity;

- effect change in shareholding ;
- undertake or permit any reorganization, amalgamation, reconstruction, takeover, or any other scheme of compromise or arrangement and amend any provision of major constitutive documents in such a manner that may adversely affect the Bank.;
- effect diversification into non-core areas viz, business other than current business;
- advance unsecured loans to the group companies;
- induction of any further capex
- undertake not to divert working capital funds for long term purposes;
- withdrawal of the monies brought to be brought in by principal shareholders/directors/depositors/ friends/ relatives of the directors;
- make any drastic changes in the management set up without Bank's permission or sell, assign, and mortgage or otherwise dispose off any of the fixed asset;
- divert any funds to any other purpose or any other entity or launch any other scheme of expansion / business;
- avail any Fund Based or Non Fund Based limit from any other bank / Financial Institution;
- open an account with other Banks/financial institutions to divert any funds for any purpose and launch any new scheme of expansion;
- inform the Bank about any adverse event as regards performance of the underlying obligation such as claims, counterclaims, dispute, cost and time overruns Court / Arbitration proceedings and the like;
- make an additional investment in loans to subsidiary or JV associates above ₹1 crore;
- pledge the shares held by the promoters, group beyond 10% of holdings, for raising any loan or for securitizing any loans or advances availed/to be availed by them from any bank/Financial Institution/ lender.
- undertake any new project/scheme unless the expenditure on such expansion etc. is covered by the Company's net cash accruals after providing for dividends, investments, etc., or from long term funds received for financing such new projects or expansion.
- invest by way of share capital in or lend or advance funds to or place deposits with any other concern;
- enter into borrowing arrangements either secured or unsecured with any other Bank, financial institution, Company or otherwise save and except the working capital facilities, granted/to be granted by other consortium /member banks, under consortium/multiple banking arrangement and the term loans proposed to be obtained from financial institutions/banks for completion of the replacement-cum-modernization programme;
- undertake guarantee obligations on behalf of other companies/ associates/ affiliates
- make any material change in the shareholding pattern which has an effect of a possible change in the management control of the Company;
- inform the Bank about any winding up petition filed against the Company;
- create charges on their any or all properties or assets during the currency of the credit facilities granted by the Bank;
- maintaining of moneys brought in by partners/ proprietors/ principal share holders/ partners and their friends and relatives at lower than the projected levels;
- change the location to store the Secured Assets, mentioning the particular type or class of secured assets affected and the address of the new place of storage; and
- assign or transfer any of its obligations under the loan agreements executed with the Bank.

g. *Events of Default:* In terms of borrowing arrangements for the facilities availed by us, the occurrence of any of the following, among others, constitute an event of default:

1. Any representation / warranty provided by the Company under /in relation to the deed and / or facility and / or facility documents is or becomes false, misleading or otherwise incorrect;
2. The Company fails to observe or comply with any of the terms of the deed and / or the facility documents and / or any other document in respect of the facility in relation of the deed;
3. The Company fails to make payment of any amount whether in respect of the principal amount of the Facility, or interest thereon or otherwise) due under / in relation to the deed and /or facility documents and/or facility as and when the same become due;
4. The Company fails to maintain margin asset cover as stipulated by the Bank from time to time;
5. The Company commits any act of bankruptcy, Insolvency, suspends payment to any of its creditors, if the Company suspends payments to any creditors or threatens to do so, or if any petition of bankruptcy or insolvency or dissolution or winding up is filed by or against the Company which petition is not withdrawn within 30 days of being admitted;
6. A receiver is appointed over the whole or any part of the property of the Company;
7. The Company ceases or threatens to cease carrying on its business;

8. Any order of attachment, distress, execution or other similar process is enforced against the Company and/or upon the Secured Assets and/or any other security provided to the Bank in relation to the facility;
9. The security created by the deed ceases to ensure to the benefit of the Bank;
10. To the extent that security has been provided by any person other than the Company in connection with the facility, any of the events set out in sub-clauses 9.1.1 to 9.7.9 above occur in relation to such third party;
11. If there is any deterioration or impairment of the Secured Assets or any part thereof or any decline or depreciation in the value or market price thereof (whether actual or reasonably anticipated), which causes the Secured Assets or any part thereof, in the judgment of the Bank to become unsatisfactory as to character or value;
12. If it is certified by a firm of accountants appointed by the Bank which the Bank is entitled and hereby authorised to so appoint at any time } that the liabilities of the Company exceed the Company's assets or that the Company is carrying on a business at a loss;
13. Any litigation, arbitration, investigative or administrative proceeding is current, pending or threatened which the Bank determine has (or might, If adversely determined, have) a material adverse effect on:
 - a) the condition (financial or otherwise), assets, operations, prospects or business of the Company; or
 - b) the ability of the Company and comply with its obligations under the deed and for the Facility Documents and/or the Facility; or
 - c) the validity, legality or enforceability of, or the rights or remedies of the Bank under the deed and / or the Facility Documents and/or the Facility; or
 - d) the validity, legality or enforceability of any security created in respect of the Facility;
14. If any event of default occurs under the Facility Documents and for any other document in relation to the facility;
15. Any other event occurs which in the sole opinion of the Bank is likely to adversely affect:
 - a) the ability of the Company to perform its obligations under the deed and or Facility Documents and/or any other document in relation to the Facility and/ or Facility; or
 - b) the validity, legality or enforceability of or the rights or remedies of the Bank under the deed and / or the Facility Documents and/or any other document in respect of the Facility; or
 - c) the validity, legality or enforceability of any security created / to be created by the Company in respect of the Facility or on the priority or ranking of any such security;
16. The Company is declared as a relief undertaking under the provisions of the Bombay Relief Undertakings (Special Provisions) Act, 1958 or the Company becomes entitled to any similar immunity in any jurisdiction under any similar statute;
17. Any event of default or potential event of default (however described) which with the lapse of time or giving of notice may become an event of default occurs under any contract or document relating to any debt;
18. Any commitment for any debt of the Company is cancelled or suspended by a creditor as a result of an event of default;
19. Any creditor of the Company becomes entitled to declare any debt due and payable prior to its specified maturity as a result of an event of default;
20. Any encumbrance over any assets of the Company to secure any other debt becomes enforceable;
21. If there is a default, event of default or other similar condition or event (however described), or a potential event of default which with the lapse of time or giving of notice, may become an event of default, under one or more agreements or instruments entered between:(1) the bank and the Company or (2) the bank and any of the Company's affiliates/associated company(ies) or (3) the Company's affiliates/associated company(ies) with any of their lenders;
22. If any transfer, charge, mortgage or other encumbrance is made or created over any properties or assets that is charged, mortgaged or otherwise encumbered to the Bank, without prior written consent of the Bank;
23. If any tenancy, sub-tenancy, lease, sub-lease, license, sub-license, care-taker or in any other manner or any occupational right or interest on the immovable property(ies) or assets charged, mortgaged or encumbered or proposed to be charged, mortgaged or encumbered in favour of the bank or any part or parts thereof, without the prior written consent of the Bank;
24. Any distress of execution or seizure is levied or enforced upon or threatened against any of the property or asses of the Company;
25. The Company enter into any scheme of arrangement or compromise with the Company's creditors or such scheme of arrangement or compromise is proposed or, (in case of the Company being a corporation) a receiver or receivers and manager is appointed over any of the Company's assets, or the Company ceases or threatens to cease to carry on its business;
26. Any government (including any political or administrative sub-division thereof), governmental authority, agency, official or entity takes or threatens any action;

27. For the dissolution of the Company, or any action which deprives or threatens to deprive the Company (a) from conducting any of its businesses or carrying out its operations in the manner it is being conducted or carried out, or (b) of the use of any of its assets;
28. To revoke or terminate or to refuse to provide or renew any authorisation or to impose onerous conditions on or on the grant or renewal of any authorisation with a view to regulate, administer, or limit or assert any form of administrative control over the rate applied, prices charged or rates of return achievable, by the Company in connection with its business; which in Each case in the opinion of the bank could have a material adverse effect; or under SARFAESI or Insolvency Code;
29. Any event of default however described (or any event which with the giving of notice, lapse of time, determination of materiality or fulfilment of any other applicable condition or any combination of the foregoing would constitute an event of default) occurs under any agreement or document relating to any indebtedness of the Company or if any other lender(s) of the Company including financial institution or banks with whom the Company has entered into agreements for financial assistance have refused to disburse, extend or have cancelled or recalled its/their assistance or any part thereof;
30. The Company is declared as a relief undertaking under the provision of the Maharashtra Relief Undertaking (Special Provisions) Act, 1958 or the Company becomes entitled to any similar immunity in any jurisdiction under any similar statute;
31. In case the Company is a company the Company is moving an application before the BIFR for declaring the company as a Sick company under the provisions of Sick industrial companies special (provisions) Act, 1985;
32. Any of the events specified in sub-paragraphs (a)(b) and (d) through (o) inclusive, occurs in relation to surety or guarantor of any of the Company's obligations and liabilities to the Bank;
33. Any security furnished to secure any of the obligation or liabilities of the Company to the Bank is or becomes invalid or unenforceable in any respect or in the opinion of the Bank is in jeopardy;
34. The Company is included in defaulters list issued by the Credit Information Companies; and
35. It comes to the notice of the Bank that the Company has been diversifying or misusing its funds or using them for purposes other than as expressly provided for in this Agreement or any relevant addendum or any of the facility documents.

h. Consequences of default: In terms of our borrowing arrangements for the facilities availed by us, upon the occurrence of events of default, our lenders shall have the right to forthwith:

1. Terminate the Facility and demand the Secured Obligations from the Company;
2. Through authorized agents and representatives enter any place or premises where the Secured Assets or their records may be situated kept or stored. For such entry, the Bank may do all acts deeds or things deemed necessary by the Bank;
3. Inspect, value, insure, take charge of, enforce, seize (without Court's intervention), recover, realize, receive or convert into money, all or any of the Secured Assets;
4. Either by public auction or by private contract, sell or assign all or any of the Secured Assets on such terms and conditions as the Bank thinks fit;
5. Apply the net proceeds of such sale /assignment towards repayment of the Secured Obligations;
6. Compromise or settle with any third party;
7. The Company undertakes not to take any action inconsistent with or prejudicial to these rights of the Bank;
8. The Company agrees to accept the Bank's accounts as sufficient evidence of the amount received on sale/ realization and of all charges and expenses incurred by the Bank;
9. The Company confine that the Bank or any Receiver that the Bank appoints will not be liable for any loss or damage the Company may suffer if the Bank or such Receiver exercises any of its rights and powers under law or this Deed;
10. The Company shall pay the shortfall or deficiency, if the net sum realized by such sale/ assignment Is insufficient to pay the dues secured by this Deed. The Bank shall not be in any way responsible or liable for any loss or damage that may be suffered by the Company by reason of the Bank exercising or not exercising its rights under this Deed;
11. if any surplus remains with the Bank after payment of the dues secured by this Deed, then it will apply it in payment or liquidation of any other moneys due from the Company to the Bank, whether solely or jointly with any other person;
12. The Bank shall be at liberty to apply any other moneys in the hands of the Bank standing to Company's credit or belonging to Company in or towards the payment of the balances under the Facility/Secured Obligations, provided that nothing herein contained shall in any manner prejudice or affect any other remedy of the Bank against the Company; and

13. Receive the value of the (redemption price of the mutual fund units on the final redemption/ maturity date or on the date of lender's request) of the units of the mutual fund including any accretions/ accruals thereon to the Bank.

UNSECURED BORROWINGS

Our Company has availed the following unsecured loans:

Particulars of the loan	Amount sanctioned	(₹ in lakhs)	
		Amount outstanding as on September 30, 2020	
Unsecured deposits from public	2,000.00	1,213.93	
Unsecured loans for vehicles and trucks	163.73	144.57	
Unsecured credit card limit	200.00	135.31	
Total Unsecured Loans	2,363.73	1,493.81	

MARKET PRICE INFORMATION

The Equity Shares are listed on the BSE, NSE and CSE. The Rights Equity Shares will be listed on the Stock Exchanges pursuant to the Issue. For further details, please see “*Terms of the Issue*” on page 177. We have received in-principle approvals for listing of the Rights Equity Shares on the Stock Exchanges to be issued pursuant to the Issue from the BSE, NSE and the CSE by letters each dated [●], [●] and [●] respectively. Our Company will also make applications to BSE, NSE and CSE to obtain the trading approvals from the respective stock exchanges for the Rights Entitlements as required under the SEBI Rights Issue Circulars

For the purpose of this section, unless otherwise specified:

- a) Year is a Financial Year;
- b) Average price is the average of the daily closing prices of our Equity Shares for the year, or the month, as the case may be;
- c) High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of our Equity Shares, for the year, the month, or the week, as the case may be; and
- d) In case of two days with the same high / low / closing price, the date with higher volume has been considered.

The following table sets forth the high, low and average market prices of the Equity Shares recorded on the BSE and the NSE during the preceding three years and the number of the Equity Shares traded on the days of the high and low prices were recorded. The Equity Shares are not traded on the CSE.

BSE							
FY	High (₹)	Date of high	Volume on date of high (No. of Equity Shares)	Low (₹)	Date of low	Volume on date of low (No. of Equity Shares)	Average (₹)
2020	58.50	April 18, 2019	23,317	9.05	March 26, 2020	2,277	27.15
2019	79.70	April 25, 2018	3,92,240	33.90	October 11, 2019	2,945	48.69
2018	98.00	July 13, 2017	66,365	54.60	March 27, 2018	15,268	79.89

(Source: www.bseindia.com)

NSE							
FY	High (₹)	Date of high	Volume on date of high (No. of Equity Shares)	Low (₹)	Date of low	Volume on date of low (No. of Equity Shares)	Average (₹)
2020	57.90	April 18, 2019	1,80,042	8.80	March 26, 2020	11,894	27.11
2019	79.45	April 25, 2018	19,25,436	34.25	October 10, 2019	57,389	48.60
2018	98.00	July 13, 2017	3,40,086	54.50	March 28, 2018	24,486	79.88

(Source: www.nseindia.com)

The total number of days trading during the past six months, from June 2020 to November 2020 was 129. The average volume of Equity Shares traded on the BSE was 8,976 Equity Shares per day.

The high and low prices and volume of Equity Shares traded on the respective date on the BSE during the last six months preceding the date of filing of this Draft Letter of Offer are as follows:

BSE							
Month	Date of high	High (₹)	Volume on date of high (No. of Equity Shares)	Date of low	Low (₹)	Volume on date of low (No. of Equity Shares)	Average (₹)
Nov 2020	November 19, 2020	28	28,924	November 05, 2020	20.15	6,339	23.65
Oct 2020	October 06, 2020	25.60	27,833	October 20, 2020	19.70	4,231	21.72
Sept 2020	September 02, 2020	26.75	9,704	September 24, 2020	21.80	1,957	23.86
Aug 2020	August 21, 2020	35.62	95,723	August 03, 2020	18.10	4,110	25.72
Jul 2020	July 08, 2020	23.90	13,041	July 16, 2020	18.75	1,439	21.13
Jun 2020	June 30, 2020	23.30	14,805	June 02, 2020	17.00	442	20.60

(Source: www.bseindia.com)

The total number of days trading during the past six months, June 2020 to November 2020 was 129. The average volume of Equity Shares traded on the NSE was 58,834 Equity Shares per day.

The high and low prices and volume of Equity Shares traded on the respective date on the NSE during the last six months preceding the date of filing of this Draft Letter of Offer are as follows:

NSE							
Month	Date of high	High (₹)	Volume on date of high (No. of Equity Shares)	Date of low	Low (₹)	Volume on date of low (No. of Equity Shares)	Average (₹)
Nov 2020	November 19, 2020	28.40	1,34,678	November 04, 2020	20.20	13,150	23.42
Oct 2020	October 06, 2020	25.60	1,24,566	October 15, 2020	19.35	16,302	21.73
Sept 2020	September 01, 2020	26.50	1,08,676	September 25, 2020	21.65	7,447	23.71
Aug 2020	August 21, 2020	36.10	5,36,178	August 03, 2020	18.25	11,237	25.72
Jul 2020	July 06, 2020	23.95	89,525	July 16, 2020	18.70	20,221	21.10
Jun 2020	June 23, 2020	23.45	77,067	June 01, 2020	16.65	9,023	20.40

(Source: www.nseindia.com)

The Board of our Company has approved the Issue at their meeting held on September 15, 2020. The high and low prices of our Company's shares as quoted on the BSE and NSE on September 16, 2020, the day on which the trading happened immediately following the date of the Board meeting is as follows:

Date	Volume (No of equity Shares)	High Price (₹)	Low price (₹)
<u>BSE</u>			
September 16, 2020	9,562	23.65	21.80
<u>NSE</u>			
September 16, 2020	1,29,856	23.65	21.75

Source: www.nseindia.com and www.bseindia.com

The closing market price of the Equity Shares as on one day prior to the date of this Draft Letter of Offer was ₹ 28.80 on the BSE and ₹ 28.95 on the NSE. The Issue Price is ₹ [●] per Rights Equity Share.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (i) criminal proceedings involving our Company, Directors, or Promoter; (ii) actions by any statutory or regulatory authorities involving our Company, Directors, or Promoter; or (iii) claim involving our Company, Directors or Promoter for any direct or indirect tax liabilities (disclosed in a consolidated manner giving the total number of claims and total amounts involved), (iv) proceeding involving our Company, Directors or Promoter (other than proceedings covered under (i) to (iii) above) which has been determined to be “material” pursuant to the materiality policy approved by our Board in its meeting held on November 12, 2020 (“**Materiality Policy**”) (as disclosed herein below).

In terms of the Materiality Policy, other than outstanding criminal proceedings, actions taken by any statutory or regulatory authority and claims for any direct or indirect tax liabilities mentioned in point (i) to (iii) above, all other pending litigation:

A. involving our Company, Promoter and Directors:

- i. where the aggregate monetary claim made by or against our Company, in any such pending litigation proceeding is in excess of 15 percent of the profit after tax of our Company in the most recently completed Fiscal as per the Restated Financial Information which amounts to ₹ 150 lakhs. Accordingly, we have disclosed all such outstanding litigation proceedings where the aggregate monetary claim made by or against our Company, in any such pending litigation proceeding is in excess of ₹ ₹ 150 lakhs (being 15 per cent of the profit after tax of our Company for the Fiscal 2020 as per the Restated Financial Information); and
- ii. where the monetary liability is not quantifiable, or which does not fulfil the threshold specified in (i) above, but the outcome of which could, nonetheless may have a material adverse effect on the position, business, operations, prospects or reputation of our Company have been considered “material”.

B. involving our Directors and our Promoter (individually or in aggregate), the outcome of which would materially and adversely affect the business, operations, prospects, financial position or reputation of our Company, irrespective of the amount involved, has been considered as material.

Further, except as disclosed in this section, there are no disciplinary action taken against our Promoter by SEBI or the Stock Exchange in the five Fiscals preceding the date of this Draft Letter of Offer.

Further, in accordance with the Materiality Policy, a creditor of our Company, shall be considered to be material creditor (except banks and financial institutions from whom the Company has availed financing facilities) for the purpose of disclosure in the offer documents, if amounts due to such creditor exceeds 15 per cent of the total trade payables of our Company as per the most recently completed Fiscal as per the Restated Financial Information. Accordingly, we have disclosed consolidated information of outstanding dues owed to any creditors of our Company, separately giving details of number of cases and amount for all dues where each of the dues exceed ₹ 385.07 lakhs (being approximately 15 per cent. of total trade payables of our Company as at June 30, 2020 as per the Restated Financial Information) (“**Material Dues**”). Further, in accordance with the Materiality Policy for the disclosure of the outstanding dues to any party which is a micro, small or a medium enterprise (“**MSME**”) will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.

Unless stated to the contrary, the information provided in this section is as of the date of this Draft Letter of Offer. All terms defined in a summary pertaining to a particular litigation shall be construed only in respect of the summary of the litigation where such term is used.

1. LITIGATION INVOLVING OUR COMPANY

i. Litigation against our Company

1. Criminal Proceedings

- a) Criminal complaints bearing number 612, 613 and 614 of 2017 have been filed by Baban Khandu Jadhav (the “**Complainant**”) against our Company and others before the Hon’ble Judicial Magistrate First Class at Khed under Section 138 of the Negotiable Instrument Act, 1881 (the complaints hereinafter referred to as the “**Complaints**”) for alleged dishonour of the following cheques:

S. No.	Date	Cheque Number	Amount (₹ in lakhs)
1.	April 19, 2017	001211	1.30
2.	June 12, 2017	001409	1.50
3.	June 13, 2017	001410	1.50

The Complaints have been filed for alleged dishonour of cheques aggregating to an amount of ₹ 4.3 lakhs issued by our Company for payment of consideration for goods or services provided by the Complainant. The Complainant through this Complaint prays that an order be passed (i) issuing process against our Company under Section 138 of the Negotiable Instrument Act, 1881 and (ii) our Company be tried and punished under the provision of law. The Complaints are pending before the Hon’ble Judicial Magistrate First Class.

- b) An application bearing number 40544 of 2017 was filed by M/s. P. Bhogilal Associates (the “**Complainant**”) against our Company before the Hon’ble Additional Judicial Magistrate at Kolkata under Section 200 of the Code of Criminal Procedure, 1973 and Section 406 of Indian Penal Code, 1860 (the application hereinafter referred to as the “**Application**”). The Application has been filed alleging that an order of medical products had to be transhipped by our Company to the Complainant from Hyderabad to Kolkata, however the Complainant suffered inordinate delay due to non-delivery of these goods. The Complainant has alleged that a gross negligence has been committed by our Company, therefore in view of the same a bill of ₹ 8.00 lakhs was raised by the Complainant in the name of our Company for the loss suffered due to non-shipment of goods and the expenses incurred by the Complainant towards recovery of goods. Further, the Complainant alleges that our Company refused to pay the said amount and therefore this Application was filed for recovery of the same. The Complainant *vide* this Application has prayed the Hon’ble Additional Judicial Magistrate to pass an order (i) taking cognizance of the offence and issue of summons under Section 420 of Indian Penal Code, 1860; (ii) try, convict and sentence our Company as per law; (iii) impose litigation costs and pass orders of adequate compensation in favour of the Complainant under Section 359 and 357(3) of the Code of Criminal Procedure, 1973. The Hon’ble Additional Judicial Magistrate has issued summons against our Company and presently the Application is pending.

2. Actions taken by Statutory/Regulatory Authorities

Nil

3. Tax Proceedings

Nil

4. Other Material Litigations

- a) A company petition bearing number CP (IB)-1947 (MB) of 2019 was filed under section 9 of the Insolvency and Bankruptcy Code, 2016 (“**I&B Code**”) by M/s. Smartshift Logistics Solutions Private Limited (previously known as M/s. Resfeber Labs Private Limited) (the “**Operational Creditor**”) before the Hon’ble National Company Law Tribunal having its bench at Mumbai (“**NCLT**”) for claiming payment of its invoices due towards the services provided by the Operational Creditor to our Company under the Service Agreement dated May 01, 2017. As per the demand notice dated December 26, 2018 issued under section 8 (1) of the I&B Code, an amount of ₹ 94.09 lakhs has been claimed by the Operational Creditor from our Company. Our Company replied to the demand notice by refuting the claims made by the Operational Creditor and by stating *inter alia* that the services were accepted on pilot basis after which a service agreement was planned to be executed on the basis of the evaluation of the services provided to us. Thereafter, the Operational Creditor filed a petition under I&B Code before the NCLT praying that our Company be declared insolvent and an Insolvency Resolution Professional be appointed on the grounds that (i) the claimed amount of ₹ 94.09 lakhs has not been paid by our Company and (ii) that our Company has sold one of its division viz. Patel Roadways and that there is a likelihood that our Company may get acquired by another entity and the Operational Creditor will be unable to recover its dues. The petition is presently pending before the Hon’ble NCLT.

- b) A company petition bearing number 4135 of 2019 was filed under section 9 of the I&B Code by Metenere Limited (the “**Operational Creditor**”) before the Hon’ble National Company Law Tribunal having its bench at Mumbai (“**NCLT**”) for claiming the recovery of an amount of ₹ 7.92 lakhs payable by our Company in accordance with the order dated January 08, 2018 passed by the XIV Additional City Civil Judge, Bangalore in the original suit bearing number 9050 of 2005 which pertains to alleged non-delivery of goods by our Company to the Operational Creditor. Our Company has preferred an appeal before the Hon’ble High Court of Karnataka at Bangalore challenging the said order, consequent to which the Operational Creditor issued a demand notice dated October 10, 2019 under section 8 (1) of the I&B Code, claiming an amount of ₹ 7.92 lakhs from our Company. Subsequently, the Operational Creditor filed a petition under I&B Code before the NCLT praying that our Company be declared insolvent and an Insolvency Resolution Professional be appointed for recovery of an amount of ₹ 7.92 lakhs with respect to the order dated January 08, 2018 passed by the XIV Additional City Civil Judge, Bangalore. The petition is presently pending before the Hon’ble NCLT.
- c) A commercial suit bearing number 1248 of 2019 has been filed by Parabolic Drugs Limited and others (the “**Plaintiff**”) before the Hon’ble High Court of Judicature at Bombay against our Company (the commercial suit hereinafter referred to as the “**Suit**”). The Plaintiff has filed the Suit alleging that the order sent by them through our Company to another party was tampered with and the contents received were different from the contents dispatched by the Plaintiff. Due to the alleged tampering of contents of the order by our Company, the party to whom the order had to be delivered refused to accept the goods and the Plaintiff suffered criminal breach of trust and a monetary loss of ₹ 129.17 lakhs. The Plaintiff *vide* this Suit has prayed the Hon’ble Court to pass an order (i) decreeing the Suit in favour of the Plaintiff for an amount of ₹ 129.17 lakhs along with an interest at the rate of 18 % per annum and (ii) cost of the suit be awarded to the Plaintiff. The Hon’ble Court issued summons dated October 14, 2019 directing our Company to file written statements and to appear before the Hon’ble Court. Our Company has filed written statement denying all allegations levied by the Plaintiff in its Plaint and presently the Suit is pending before the Hon’ble Court.

ii. Litigation by our Company

1. Criminal Proceedings

- a) A complaint bearing number 5801120 of 2019 was filed by our Company before the Additional Chief Metropolitan Magistrate at Mumbai (Bandra) against M/s. Jupiter Landmark Inc. and its partner Manish Chandok (the “**Accused**”) under Section 138 of the Negotiable Instrument Act, 1881 (the complaint hereinafter referred to as the “**Complaint**”) for dishonour of cheque issued by the Accused to our Company for payment of rent towards the premises leased to them by our Company amounting to ₹ 5.00 lakhs. The Complaint is pending before the Additional Chief Metropolitan Magistrate.
- b) A complaint bearing number 87 of 2019 was filed by our Company before the Additional Chief Metropolitan Magistrate at Mumbai (Bandra) against M/s. Jupiter Landmark Inc. and its partner Manish Chandok (the “**Accused**”) under Section 138 of the Negotiable Instrument Act, 1881 (the complaint hereinafter referred to as the “**Complaint**”) for dishonour of cheque issued by the Accused to our Company for payment of rent towards the premises leased to them by our Company amounting to ₹ 5.25 lakhs. The Additional Chief Metropolitan Magistrate has issued process against the Accused and the Complaint is presently pending.
- c) A complaint case bearing number 13105 of 2019 was filed by our Company before the Chief Metropolitan Magistrate at New Delhi against M/s. TMC Logistics (the “**Accused**”) under Sections 138 and 142 of the Negotiable Instrument Act, 1881 (the complaint hereinafter referred to as the “**Complaint**”) for dishonour of cheques of an amount of ₹ 6.43 lakhs issued by the Accused to our Company for the services provided by our Company as per the agreement dated September 10, 2014. The Chief Metropolitan Magistrate has issued process against the Accused and the Complaint is presently pending.
- d) A complaint case bearing number 13104 of 2019 was filed by our Company before the Chief Metropolitan Magistrate at New Delhi against Ayushi Air Express Private Limited and others (the “**Accused**”) under Sections 138 and 142 of the Negotiable Instrument Act, 1881 (the complaint hereinafter referred to as the “**Complaint**”) for dishonour of cheques of an amount of ₹ 12.42 lakhs

issued by the Accused to our Company for the services provided by our Company as per the agreement dated April 11, 2013. The Chief Metropolitan Magistrate has issued process against the Accused and the Complaint is presently pending.

- e) A complaint bearing number 278 of 2016 was filed by our Company before the Metropolitan Magistrate at Mumbai (Bandra) against M/s. Venkateshwara Logistic and its proprietor M. Pulakesavan (the “**Accused**”) under Sections 138 and 141 of the Negotiable Instrument Act, 1881 (the complaint hereinafter referred to as the “**Complaint**”) for dishonour of cheques of an amount of ₹ 4.00 lakhs issued by the Accused to our Company for the services provided by our Company. The Complaint is pending before the Metropolitan Magistrate.
- f) A complaint bearing number 4167 of 2015 was filed by our Company before the Metropolitan Magistrate at Mumbai (Bandra) against M/s. Venkateshwara Logistic and its proprietor M. Pulakesavan (the “**Accused**”) under Sections 138 and 141 of the Negotiable Instrument Act, 1881 (the complaint hereinafter referred to as the “**Complaint**”) for dishonour of cheques of an amount of ₹ 4.00 lakhs issued by the Accused to our Company for the services provided by our Company. The Metropolitan Magistrate has issued process against the Accused and the Complaint is presently pending.
- g) A complaint bearing number 347 of 2018 was filed by our Company before the Metropolitan Magistrate at Mumbai (Bandra) against Amarsai Shrink Pack Private Limited (the “**Accused**”) under Sections 138 and 141 of the Negotiable Instrument Act, 1881 (the complaint hereinafter referred to as the “**Complaint**”) for dishonour of cheques of an amount of ₹ 4.00 lakhs issued by the Accused to our Company for the services provided by our Company. The Complaint is pending before the Metropolitan Magistrate.
- h) A criminal case bearing number 6607 of 2019 was filed by our Company before the Additional Chief Metropolitan Magistrate at Ahmedabad against M/s, Krish Enterprises and its proprietor Ashutosh Kumar Pandey (the “**Accused**”) under Section 138 of the Negotiable Instrument Act, 1881 (hereinafter referred to as the “**Case**”) for dishonour of cheques of an amount of ₹ 3.00 lakhs issued by the Accused to our Company for the services provided by our Company. The Case is pending before the Additional Chief Metropolitan Magistrate.

2. *Civil and other Material Litigations*

- a) Our Company has on filed a company petition bearing number 143 of 2011 against M/s. Deccan Cargo and Express Logistics Private Limited (hereinafter each referred to as a “**Respondent**”) before the Hon’ble High Court of Karnataka at Bangalore under Section 433(e) and (f) of the Companies Act, 1956 read with Section 439 of the Companies Act, 1956. Our Company had been providing services of air transport of their goods within India, and an amount of ₹ 136.03 lakhs remains payable by the Respondent in lieu of our services. Our Company in this petition has prayed the Hon’ble Court to pass an order for winding up of the Respondent. The Hon’ble Court has passed an order dated June 11, 2013 allowing the company petition and the winding up of the Respondent and presently the matter is pending before the liquidator.
- b) Our Company has filed a suit bearing number O.S. No. 4049 of 2011 against R.M.S. Kannappan and other (“**Defendants**”) before the Hon’ble City Civil Court, Bangalore under Order VII Rule 1 of Code of Civil Procedure, 1908 (“**CPC**”). Our Company had executed a lease deed dated May 23, 1980 with the Defendants for taking on lease the property situated in Bangalore for carrying out our business activities (the property hereinafter referred to as the “**Suit Property**”). The Defendants filed a suit for ejection before the Additional City Civil Judge at Bangalore, which was on August 21, 2020 decreed in favour of the Defendants, directing the Plaintiff to vacant the Suit Property and hand over the possession to the Defendants. The Defendants within four days of the said order, without prior notice unlawfully possessed the Suit Property without allowing the Plaintiff to retain possession of the goods lying in the property which had to be dispatched all over India. This act of the Defendants caused huge losses to our Company and our clients and therefore we have filed this suit for recovery of losses amounting to ₹ 644.24 lakhs from the Defendants. Our Company in this Suit has prayed the Hon’ble Court to pass an order directing the Defendants to jointly and severally make payment of an amount of ₹ 644.24 lakhs along with an interest at the rate of 15% per annum. Presently the suit is pending before the Hon’ble City Civil Court.

2. LITIGATION INVOLVING OUR PROMOTER

Cases filed against our Promoter

1. *Criminal Proceedings*

Nil

2. *Actions taken by Statutory/Regulatory Authorities*

Nil

3. *Tax Proceedings*

Nil

4. *Other Material Litigations*

Nil

Cases filed by our Promoter

1. *Criminal Proceedings*

Nil

2. *Other Material Litigations*

Nil

Disciplinary action against our Promoter by SEBI or any stock exchange in the last five Fiscals

Nil

3. LITIGATION INVOLVING OUR DIRECTORS

Cases filed against our Directors

1. *Criminal Proceedings*

Nil

2. *Actions taken by Statutory/Regulatory Authorities*

Nil

3. *Tax Proceedings*

Nil

4. *Other Material Litigations*

Nil

Cases filed by our Directors

1. *Criminal Proceedings*

Nil

2. *Other Material Litigations*

Nil

4. LITIGATION INVOLVING OUR SUBSIDIARY

As on the date of filing of this Draft Letter of Offer, our Company does not have a subsidiary.

5. OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

In terms of the Materiality Policy dated November 12, 2020, our Company has no material creditors, as on June 30, 2020.

As on June 30, 2020, the details of amounts outstanding towards small scale undertakings and other creditors are as follows:

Particulars	No. of Creditors	(₹ in lakhs)	
		Amount	
Outstanding dues to small scale undertakings	Nil	Nil	
Outstanding dues to other creditors	308	2,567.17	
Total outstanding dues	308	2,567.17	

For further details, refer to the section titled “*Financial Information*” on page 98 of this Draft Letter of Offer.

6. MATERIAL DEVELOPMENT SINCE JUNE 30, 2020.

There have not arisen, since the date of the last financial statements disclosed in this Draft Letter of Offer, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months. For further details, please refer to the chapter titled “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on page 142 of this Draft Letter of Offer.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has obtained necessary consents, licenses, permissions and approvals from governmental and regulatory authorities that are material for carrying on our present business activities. Some of the approvals and licenses that our Company requires for our business operations may expire in the ordinary course of business, and our Company will apply for their renewal from time to time.

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, please refer to the chapter titled “*Objects of the Issue*” at page 61 of this Draft Letter of Offer.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board, pursuant to its resolution dated September 15, 2020, authorised the Issue under Section 62(1) (c) of the Companies Act, 2013.

Our Board has, at its meeting held on [●], determined the Issue Price as ₹ [●] per Rights Equity Share and the Rights Entitlement as [●] Rights Equity Share(s) for every [●] Equity Share(s) held on the Record Date.

Our Company has received 'in-principle' approval for listing of the Rights Equity Shares to be Allotted pursuant to Regulation 28 of SEBI Listing Regulations, *vide* letters dated [●], [●] and [●] issued by BSE, NSE and CSE, respectively for listing of the Rights Equity Shares to be Allotted pursuant to the Issue.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoter, our Directors, the members of our Promoter Group and persons in control of our Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Draft Letter of Offer.

Further, our Promoter and our Directors are not promoter or director of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. One of our Directors is on the board of Wall Street Derivatives and Financial Services (India) Private Limited and Wall Street Securities and Investments (India) Limited, which are associated with securities markets. Further, our Promoter is the promoter of Wall Street Derivatives and Financial Services (India) Private Limited and Wall Street Securities and Investments (India) Limited. Except as stated above, none our Directors or Promoter not associated with the securities market in any manner. Further, there is no outstanding action initiated against Wall Street Derivatives and Financial Services (India) Private Limited or Wall Street Securities and Investments (India) Limited or any of our Directors or Promoters by SEBI in the five years preceding the date of filing of this Draft Letter of Offer.

Neither our Promoter nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

Prohibition by RBI

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

Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoter and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.

Eligibility for the Issue

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

Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to the Stock Exchanges for listing of the

Rights Equity Shares to be issued pursuant to the Issue. BSE Limited is the Designated Stock Exchange for the Issue.

DISCLAIMER CLAUSE OF SEBI

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of issue is up to ₹ 5,000.00 lakhs.

Disclaimer from our Company and our Directors

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

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

Disclaimer in respect of Jurisdiction

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

Disclaimer Clause of BSE

As required, a copy of this Draft Letter of Offer has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to the filing with the Stock Exchange.

Disclaimer Clause of NSE

As required, a copy of this Draft Letter of Offer has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to the filing with the Stock Exchange.

Disclaimer Clause of CSE

As required, a copy of this Draft Letter of Offer has been submitted to CSE. The disclaimer clause as intimated by CSE to our Company, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to the filing with the Stock Exchange.

Designated Stock Exchange

The Designated Stock Exchange for the purposes of the Issue is BSE Limited.

Listing

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

Selling Restrictions

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Draft Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer, Application Form and the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of this the Draft Letter of Offer, Abridged Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Draft Letter of Offer has been filed with SEBI and the Stock Exchanges.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Draft Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Draft Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Draft Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Neither the delivery of this Draft Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as of any time subsequent to this date or the date of such information. Each person who exercises Rights Entitlements and subscribes for Equity Shares, or who purchases Rights Entitlements or Equity Shares shall do so in accordance with the restrictions set out below.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE DRAFT LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THE DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. Envelopes containing an Application Form should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and this Draft Letter of Offer, Letter of Offer/ Abridged Letter of Offer, Application Form and the Rights Entitlement Letter will be dispatched to the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires the Rights Entitlements and the Equity Shares will be deemed to have declared, represented, warranted and agreed, by accepting the delivery of the Letter of Offer, (i) that it is not and that, at the time of

subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; and (ii) is authorised to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed “Overseas Shareholders” to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

NO OFFER IN ANY JURISDICTION OUTSIDE INDIA

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICIATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

Consents

Consents in writing of: our Directors, legal advisor, the Registrar to the Issue and the Bankers to the Issue to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer.

Our Company has received written consent dated December 21, 2020 from our Statutory Auditor, namely, M/s. Hitesh Shah & Associates, Chartered Accountants for inclusion of their report, dated December 21, 2020 on the Restated Financial Information in this Draft Letter of Offer and to include their name in this Draft Letter of Offer and as an ‘expert’ as defined under Section 2(38) of the Companies Act, 2013 in relation to the Statement of Tax Benefits dated December 21, 2020 in the form and context in which it appears in this Draft Letter of Offer. Such consent has not been withdrawn up to the date of this Draft Letter of Offer.

Expert Opinion

Our Company has received written consent dated December 21, 2020 from our Statutory Auditor, namely, M/s. Hitesh Shah & Associates, Chartered Accountants to include their name as required in this Draft Letter of Offer and as an ‘expert’ as defined under Section 2(38) of the Companies Act, 2013 in relation to its examination report, dated December 21, 2020 on the Restated Financial Information and the Statement of Tax Benefits dated December 21, 2020 and such consent has not been withdrawn as of the date of this Draft Letter of Offer. The term ‘expert’ and consent thereof, does not represent an expert or consent within the meaning under the U.S. Securities Act.

Except for the abovementioned documents, provided by M/s. Hitesh Shah & Associates Chartered Accountants, our Company has not obtained any expert opinions.

Performance vis-à-vis objects – Public/Rights Issue of our Company

Our Company has not made any rights issues or public issues during the five years immediately preceding the date of this Draft Letter of Offer. There have been no instances in the past, wherein our Company has failed to achieve the objects in its previous issues.

Performance vis-à-vis objects – Last issue of listed Subsidiaries or Associates

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

Stock Market Data of the Equity Shares

Our Equity Shares are listed on BSE, NSE and CSE. Our Equity Shares are traded on BSE and NSE. For details in connection with the stock market data of the Stock Exchanges, please refer to the chapter titled “*Market Price Information*” on page 162 of this Draft Letter of Offer.

Filing

SEBI *vide* the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer will be filed with the Stock Exchanges and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchanges.

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. Bigshare Services Private Limited is our Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint.

Investor Grievances arising out of this Issue

Investors may contact the Registrar to the Issue at:

Registrar to the Issue

Bigshare Services Private Limited

1st floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai- 400 059,
Maharashtra, India.

Telephone: +91 22 6263 8200

Facsimile: +91 22 6263 8280

E-mail: rightsissue@bigshareonline.com

Website: www.bigshareonline.com

Contact person: Ashish Bhope

Investor grievance: investor@bigshareonline.com

SEBI Registration No: INR000001385

Validity of Registration: Permanent

Investors may contact the Company Secretary and Compliance Officer at the below mentioned address for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment / share certificates/ demat credit/ Refund Orders etc.

Sweta Pankaj Parekh, Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder:

52, Natasha, Hill Road,
Bandra (West), Mumbai – 400 052,
Maharashtra, India.
Telephone: +91 022 2642 1220
Website: www.patel-india.com
E-mail: sweta.parekh@patel-india.com

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

This Section applies to all Investors. ASBA Investors should note that the ASBA process involves procedures that may be different from that applicable to other Investors and should carefully read the provisions applicable to such Applications, in the Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter, before submitting an Application Form. Our Company is not liable for any amendments, modifications or changes in applicable law which may occur after the date of the Letter of Offer. Investors who are eligible to apply under the ASBA process or B-WAP (only for original shareholders), as the case may be, are advised to make their independent investigations and to ensure that the Application Form and the Rights Entitlement Letter is correctly filled up.

Please note that in accordance with the provisions of the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 (“SEBI – Rights Issue Circular”), all investors (including renouncee) shall make an application for a rights issue only through ASBA facility. However, in view of the COVID-19 pandemic and the lockdown measures undertaken by Central and State Governments, relaxation from the strict enforcement of the SEBI – Rights Issue Circular has been provided by SEBI, vide its Circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 06, 2020 and Circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020. As per the said circular, in case the physical shareholders who have not been able to open a demat account or are unable to communicate their demat details, in terms of clause 1.3.4 of the SEBI – Rights Issue Circular, to the Company or Registrar to the Issue, for credit of REs within specified time, such physical shareholders may be allowed to submit their application subject to the conditions prescribed in the SEBI Circulars dated May 06, 2020 and July 24, 2020.

In accordance with the SEBI ICDR Regulations, the option to receive the Rights Equity Shares in physical form was available only for a period of six months from the date of coming into force of the SEBI ICDR Regulations, i.e., until May 10, 2019. Since Allotment in this Issue will occur subsequent to May 10, 2019, the entitlement of Rights Equity Shares to be Allotted to the Applicants who have applied for Allotment of the Rights Equity Shares in physical form will be kept in abeyance in electronic mode by our Company until the Applicants provide details of their demat account particulars to the Registrar. Further, In accordance with the SEBI Rights Issue Circulars, (a) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date; or (b) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period.

The Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, including the Application Form and the Rights Entitlement Letter, the MOA and AOA of our Company, the provisions of the Companies Act, the terms and conditions as may be incorporated in the FEMA, applicable guidelines and regulations issued by SEBI or other statutory authorities and bodies from time to time, the SEBI Listing Regulations, terms and conditions as stipulated in the allotment advice or security certificate and rules as may be applicable and introduced from time to time.

OVERVIEW

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

Important:

- 1) *Dispatch and availability of Issue materials:*

In accordance with the SEBI ICDR Regulations, SEBI circulars SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, Circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020 and the MCA Circular, our Company will send, only through email, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material to the email addresses of all the Eligible Equity Shareholders who have provided their Indian addresses to our Company. The Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their addresses to our Company. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- a) Our Company at www.patel-india.com
- b) the Registrar to the Issue at www.bigshareonline.com
- c) the Stock Exchanges at www.bseindia.com, www.nseindia.com and www.cse-india.com; and
- d) the Registrar's web-based application platform B-WAP

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at www.bigshareonline.com by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on the website of our Company (i.e., www.patel-india.com).

Further, our Company will undertake all adequate steps to reach out to the Eligible Equity Shareholders by other means if feasible in the current COVID-19 situation. However, our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form.

2) *Facilities for Application in this Issue:*

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, bearing reference number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, and SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020 (Collectively hereafter referred to as “**SEBI Rights Issue Circulars**”) and SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011 and the SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 (Collectively hereafter referred to as “**ASBA Circulars**”), all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process or the optional mechanism instituted only for resident Investors in this Issue, i.e., B-WAP (only for Original Shareholders). Original Shareholders shall mean the Resident Shareholders who are holding the Equity Shares of our Company as on the Record Date i.e. [●] (hereinafter referred to as the “**Original Shareholders**”). However, the Shareholders who receive the renounced Equity Shares offered in this Issue shall not be considered as Original Shareholders and shall not be eligible to apply through B-WAP. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA or using optional mechanism. For details, see “*Procedure for Application through the ASBA Process*” and “*Procedure for Application through B-WAP*” on page 186 and 186 respectively.

For guidance on the Application process through B-WAP and resolution of difficulties faced by the Investors, the Investors are advised to carefully read the frequently asked questions, visit the online/ electronic dedicated investor helpdesk on the website of the Registrar to the Issue at www.bigshareonline.com or call helpline number (+91 22 6263 8200). For details, see “*Procedure for Application through B-WAP*” on page 186.

In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 and SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020 our Company will make use of advertisements in television channels, radio, internet etc., including in the form of crawlers/ tickers, to disseminate information relating to the Application process in India.

3) *Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders:*

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

Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, “[●]”) opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; or (f) the ownership of the Equity Shares currently under dispute, including any court proceedings.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer.

4) *Application by Eligible Equity Shareholders holding Equity Shares in physical form:*

m Equity Shares may also apply in this Issue during the Issue Period. Application by such Eligible Equity Shareholders is subject to following conditions:

- (i) the Eligible Equity Shareholders apply only through the alternative application platform, B-WAP (for Original Shareholders only);
- (ii) the Eligible Equity Shareholders are residents;
- (iii) the Eligible Equity Shareholders are not making payment from non-resident account;
- (iv) the Eligible Equity Shareholders shall not be able to renounce their Rights Entitlements; and
- (v) the Eligible Equity Shareholders shall receive Rights Equity Shares, in respect of their Application, only in demat mode.

Accordingly, such resident Eligible Equity Shareholders are required to, within 6 (six) months from the Allotment Date, send a communication to our Company or the Registrar containing the name(s), Indian address, email address, contact details and the details of their demat account along with copy of self attested PAN and self-attested client master sheet of their demat account either by post, speed post, courier, electronic mail or hand delivery, to enable process of credit of Rights Equity Shares in such demat account.

Such resident Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in “*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*” and “*Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner*” on pages 192 and 200, respectively.

5) *Other important links and helpline:*

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

- a) Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: www.bigshareonline.com
- b) Updation of Indian address/ email address/ mobile number in the records maintained by the Registrar or our Company: www.bigshareonline.com
- c) Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: www.bigshareonline.com

Renounees

All rights or obligations of the Eligible Equity Shareholders in relation to Applications and refunds relating to the Issue shall, unless otherwise specified, apply to the Renounee(s) as well.

Authority for the Issue

The Issue has been authorized by a resolution of Board of Directors of our Company passed at their meeting held on September 15, 2020 pursuant to Section 62(1)(a) of the Companies Act.

The Board of Directors in their meeting held on [●] have determined the Issue Price at ₹ [●] per Equity Share and the Rights Entitlement as [●] Rights Equity Share(s) for every [●] fully paid up Equity Share(s) held on the Record Date.

Our Company has received in-principle approvals from BSE, NSE and CSE in accordance with Regulation 28 of the SEBI Listing Regulations for listing of the Rights Equity Shares to be Allotted in the Issue pursuant to letters dated [●], [●] and [●], respectively.

Basis for the Issue

The Rights Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of the Equity Shares held dematerialized form and on the register of members of our Company in respect of the Equity Shares held in physical form at the close of business hours on the Record Date, decided in consultation with the Designated Stock Exchange, but excludes persons not eligible under the applicable laws, rules, regulations and guidelines.

Rights Entitlement (“REs”) (Rights Equity Shares)

Eligible Equity Shareholders whose names appear as a beneficial owner in respect of the Equity Shares held in dematerialized form or appear in the register of members as an Equity Shareholder of our Company in respect of the Equity Shares held in physical form as on the Record Date, i.e., [●], are entitled to the number of Rights Equity Shares as set out in the Application Form.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue (www.bigshareonline.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on the website of our Company (www.patel-india.com).

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. If the Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to communicate with the Registrar to the Issue in the manner provided on their website (www.bigshareonline.com). They may also communicate with the Registrar with the help of the helpline number (+91 22 6263 8200) and their email address (rightsissue@bigshareonline.com).

Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts, except in case of resident Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and applying through B-WAP (an additional optional facility).

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form only to email addresses of Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

The Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. The Letter of Offer, the Abridged Letter of Offer and the Application Form may also be accessed on the websites of the Registrar and our Company through a link contained in the aforementioned email sent to email addresses of Eligible Equity Shareholders (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) and on the Stock Exchange websites. The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted

by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer will be filed with SEBI and the Stock Exchanges. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes an Application will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, that it is entitled to subscribe for the Rights Equity Shares under the laws of any jurisdiction which apply to such person.

Further, our Company will undertake all adequate steps to reach out the Eligible Equity Shareholders by other means if feasible in the current COVID-19 situation. However, our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form.

PRINCIPAL TERMS OF THE RIGHTS EQUITY SHARES ISSUED UNDER THIS ISSUE

Face Value

Each Rights Equity Share will have the face value of ₹10.

Issue Price

Each Rights Equity Share is being offered at a price of ₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share) in the Issue. The Issue Price has been arrived at by our Company prior to the determination of the Record Date.

The full amount of Issue Price ₹[●]/- is payable on application.

The Issue Price and other relevant conditions are in accordance with Regulation 10(4) of the SEBI Takeover Regulations.

The Board, at its meeting held on [●], has determined the Issue Price.

Rights Entitlement Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of [●] Rights Equity Share(s) for every [●] Equity Share(s) held on the Record Date.

Rights of instrument holder

Each Rights Equity Share shall rank pari passu with the existing Equity Shares of the Company.

Terms of Payment

The full amount of Issue Price ₹[●]/- is payable on application.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of [●] Rights Equity Share(s) for every [●] Equity Share(s) held on the Record Date. For Rights Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Share(s) or not in the multiple of [●], the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored as above will be given preferential consideration for the Allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares over and above their Rights Entitlement.

Also, those Equity Shareholders holding less than [●] Equity Shares and therefore entitled to 'Zero' Rights Equity Share under this Issue shall be dispatched an Application Form with 'Zero' entitlement. Such Eligible Equity Shareholders are entitled to apply for Additional Rights Equity Shares and would be given preference in the Allotment of 1 (One) Additional Rights Equity Share, if such Equity Shareholders have applied for the Additional Rights Equity Shares. However, they cannot renounce the same to third parties. **Application Forms with zero entitlement will be non-negotiable/non-renounceable.**

Ranking

The Rights Equity Shares to be issued and Allotted pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and the Articles of Association. The Rights Equity Shares to be issued and Allotted pursuant to the Issue shall rank *pari passu* with the existing Equity Shares of our Company, in all respects including dividends.

Mode of payment of dividend

In the event of declaration of dividend, our Company shall pay dividend to the Eligible Equity Shareholders as per the provisions of the Companies Act and the provisions of the Articles of Association.

Listing and trading of the Rights Equity Shares to be issued pursuant to the Issue

The existing Equity Shares of our Company are listed and traded under the ISIN: INE529D01014 on BSE (Scrip Code: 526381), on NSE (Symbol: PATINTLOG) and on CSE (Scrip Code: 026136). The Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on BSE, NSE and CSE subject to necessary approvals. Our Company has received in-principle approval from BSE through letter no. [●] dated [●], from NSE through letter no. [●] dated [●] and from CSE through letter no. [●] dated [●]. Our Company will apply to BSE, NSE and CSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

Upon receipt of such listing and trading approval, the Rights Equity Shares proposed to be issued pursuant to the Issue shall be debited from such temporary ISIN and credited in the existing ISIN and thereafter be available for trading under the existing ISIN as fully paid-up Equity Shares of our Company.

The Rights Equity Shares allotted pursuant to the Issue will be listed as soon as practicable and all steps for completion of the necessary formalities for listing and commencement of trading of the Rights Equity Shares shall be taken within the specified time.

If permissions to list, deal in and for an official quotation of the Rights Equity Shares are not granted by BSE, CSE and/or NSE, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Letter of Offer. If such money is not repaid beyond eight days after our Company becomes liable to repay it, then our Company and every Director who is an officer in default shall, on and from such expiry of eight days, be liable to repay the money, with interest as applicable.

Kindly note that the Rights Equity Shares shall be listed on CSE, subject to its approval, however the Rights Entitlements shall not trade on the said Stock Exchange.

For details of trading and listing of partly paid-up Rights Equity Shares, please refer to the heading "*Terms of Payment*" at page 181 of this Draft Letter of Offer.

Subscription to the Issue by our Promoter and Promoter Group

For details of the intent and extent of the subscription by our Promoter and Promoter Group, see “*Capital Structure – Intention and extent of participation by our Promoter and Promoter Group in the Issue*” on page 55.

Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of holders of Equity Shares

Subject to applicable laws, the Equity Shareholders shall have the following rights:

- The right to receive dividend, if declared;
- The right to vote in person, or by proxy;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive surplus on liquidation;
- The right of free transferability of Equity Shares;
- The right to attend general meetings and exercise voting powers in accordance with law, unless prohibited by law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the Memorandum of Association and the Articles of Association

General terms of the Issue

Market Lot

The Equity Shares of our Company are tradable only in dematerialized form. The market lot for Equity Shares in dematerialized mode is one Equity Share.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold such Equity Share as the joint holders with the benefit of survivorship subject to the provisions contained in the Articles of Association. Application Forms would be required to be signed by all the joint holders to be considered valid.

Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. An Investor can nominate any person by filling the relevant details in the Application Form in the space provided for this purpose.

Since the Allotment of Rights Equity Shares is in dematerialized form only, there is no need to make a separate nomination for the Rights Equity Shares to be Allotted in the Issue. Nominations registered with respective Depository Participant of the Investor would prevail. Any Investor desirous of changing the existing nomination is requested to inform its respective Depository Participant.

Arrangements for Disposal of Odd Lots

Our Equity Shares are traded in dematerialized form only and therefore the marketable lot is one Equity Share and hence, no arrangements for disposal of odd lots are required.

New Financial Instruments

There are no new financial instruments like deep discount bonds, debentures with warrants, secured premium notes etc. issued by our Company.

Restrictions on transfer and transmission of shares and on their consolidation/splitting

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue.

However, the Investors should note that pursuant to provisions of the SEBI Listing Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be effected unless the securities are held in the dematerialized form with a depository.

Notices

In accordance with the SEBI ICDR Regulations, SEBI Rights Issue Circulars and MCA General Circular No. 21/2020, our Company will send, only through email, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material to the email addresses of all the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. The Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Further, our Company will undertake all adequate steps to dispatch the physical copies of the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, if feasible in the current COVID-19 situation. However, our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one (1) Marathi language daily newspaper with wide circulation at the place where our Registered Office is situated.

In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 and SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, our Company will make use of advertisements in television channels, radio, internet etc., including in the form of crawlers/ tickers, to disseminate information relating to the Application process in India. The Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

PROCEDURE FOR APPLICATION

How to Apply

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process or the optional mechanism instituted only for resident Investors in this Issue. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA or the optional mechanism. For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, see "*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*" on page 192.

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

Application Form

The Application Form for the Rights Equity Shares offered as part of this Issue would be sent to email address of the Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

The Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email at least three days before the Issue Opening Date. In case of non-resident Eligible Equity Shareholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email to email address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

Further, our Company will undertake all adequate steps to reach out the Eligible Equity Shareholders by other means if feasible in the current COVID-19 situation. However, our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form.

Please note that neither our Company nor the Registrar shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

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

- a) Our Company at www.patel-india.com
- b) the Registrar to the Issue at www.bigshareonline.com
- c) the Stock Exchanges at www.bseindia.com, www.nseindia.com and www.cse-india.com; and
- d) the Registrar's web-based application platform at www.bigshareonline.com (B-WAP).

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.bigshareonline.com) by entering their DP ID and Client ID or Folio Number (in case of resident Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on the website of our Company (i.e., www.patel-india.com). The Application Form can be used by the Investors, Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable.

In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account. Investors may accept this Issue and apply for the Rights Equity Shares (i) submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or (ii) filling the online Application Form available on B-WAP and make online payment using the internet banking or UPI facility from their own bank account thereat. Please note that Applications made with payment using third party bank accounts are liable to be rejected.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein, (i) the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or (ii) the requisite internet banking or UPI details (in case of Application through B-WAP which is available only for resident Investors).

Please note that Applications without depository account details shall be treated as incomplete and shall be rejected, except in case of Eligible Equity Shareholders who hold Equity Shares in physical form and are applying in this Issue in accordance with the SEBI Rights Issue Circulars through the optional mechanism i.e. B-WAP. Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB) and B-WAP. Incorrect depository account details or PAN number could lead to rejection of the Application. For details see "*Grounds for Technical Rejection*" on page 196. Our

Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “*Application on Plain Paper under ASBA process*” on page 186.

Options available to the Eligible Equity Shareholders

Details of each Eligible Equity Shareholders RE will be sent to the Eligible Equity shareholder separately along with the Application Form and would also be available on the website of the Registrar to the Issue at www.bigshareonline.com and link of the same would also be available on the website of our Company at (www.patel-india.com). Respective Eligible Equity Shareholder can check their entitlement by keying their requisite details therein.

The Eligible Equity Shareholders will have the option to:

- Apply for his Rights Entitlement in full;
- Apply for his Rights Entitlement in part (without renouncing the other part);
- Apply for his Rights Entitlement in full and apply for additional Rights Equity Shares;
- Apply for his Rights Entitlement in part and renounce the other part of the Rights Equity Shares; and
- Renounce his Rights Entitlement in full.

In accordance with the SEBI Rights Issue Circulars, (a) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date; or (b) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period. Such resident Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in “*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*” and “*Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner*” on pages 192 and 200, respectively.

Procedure for Application through the ASBA process

Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

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

Self-Certified Syndicate Banks

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link. Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

Procedure for Application through B-WAP:

In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, a separate web based application platform, i.e., the B-WAP facility (accessible at www.bigshareonline.com), has been instituted for

making an Application in this Issue by resident Original Shareholder. Further, B-WAP is only an additional option and not a replacement of the ASBA process. At the B-WAP, resident Investors can access and submit the online Application Form in electronic mode using the B-WAP and make online payment using their internet banking or UPI facility from their own bank account thereat.

Acceptance of this Issue

Investors may accept this Issue and apply for the Rights Equity Shares (i) submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or (ii) filling the online Application Form available on B-WAP, the optional mechanism devised by the Registrar and make online payment using their internet banking or UPI facility from their own bank account thereat. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges, and (ii) the optional facility, B-WAP will be available until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

The Renouncee(s) who purchase the Rights Entitlements from On-Market Renunciation or Off-Market Renunciation by the Eligible Shareholders need to separately apply for the Rights Equity Shares offered in this Issue by making an Application as described above and in this chapter. In case, the Renouncee(s) fails to make an Application, the Rights Entitlements purchased shall extinguish and no Rights Equity Shares shall be allotted to such Renouncee(s).

Applications submitted to anyone other than the Designated Branches of the SCSB or using the optional mechanism are liable to be rejected.

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section "*Application on Plain Paper under ASBA process*" on page 186.

Additional Rights Equity Shares

Investors are eligible to apply for additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Applications for additional Rights Equity Shares shall be considered and allotment shall be made at the sole discretion of the Board, subject to applicable sectoral caps, and in consultation if necessary with the Designated Stock Exchange and in the manner prescribed under the section titled "*Terms of the Issue*" on page 177. Applications for additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner prescribed under the section "*Basis of Allotment*" on page 198.

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

Applications by Overseas Corporate Bodies

By virtue of the Circular No. 14 dated September 16, 2003, issued by the RBI, Overseas Corporate Bodies ("OCBs"), have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to OCBs) Regulations, 2003.

Accordingly, the existing Eligible Equity Shareholders of our Company who do not wish to subscribe to the Rights Equity Shares being offered but wish to renounce the same in favour of Renouncee shall not be able to renounce the same (whether for consideration or otherwise), in favour of OCB(s). 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 and were not at any time subject to any adverse notice from 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 the foreign direct investment scheme with the prior approval of Government of India if the investment is through the government approval route and with the prior approval of RBI if the investment is through automatic route on case by case basis. Eligible Equity Shareholders renouncing their rights in favour of such OCBs may do so provided such Renouncee obtains a prior approval from the RBI. On submission of such

RBI approval to our Company at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the Application Form.

Procedure for Renunciation of Rights Entitlements

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

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

(a) On Market Renunciation

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

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN [●] subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time. The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., [●] to [●] (both days inclusive). The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN [●] and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

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

Kindly note that the Rights Entitlements shall not trade on CSE.

(b) Off Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

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

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants. The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

Applications on Plain Paper under ASBA process

An Eligible Equity Shareholder who has neither received the Application Form nor is in a position to obtain the Application Form either from our Company, Registrar to the Issue, Manager to the Issuer or from the website of the Registrar, can make an Application to subscribe to the Issue on plain paper through ASBA process. Eligible Equity Shareholders shall submit the plain paper application to the Designated Branch of the SCSB for authorizing such SCSB to block an amount equivalent to the amount payable on the application in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India.

The envelope should be super scribed “***Patel Integrated Logistics Limited – Rights Issue***” and should be postmarked in India. The application on plain paper, duly signed by the Eligible Equity Shareholders including joint holders, in the same order and as per the specimen recorded with our Company/Depositories, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently. may make an Application to subscribe to the Issue on plain paper, along with an account payee cheque or demand draft drawn at par, net of bank and postal charges, payable at Mumbai and the Investor should send such plain paper Application by registered post directly to the Registrar to the Issue. For details of the mode of payment, see “*Modes of Payment*” on page 190.

PLEASE NOTE THAT APPLICATION ON PLAIN PAPER CANNOT BE SUBMITTED THROUGH B-WAP.

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

- Name of our Issuer, being Patel Integrated Logistics Limited;
- Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- Registered Folio Number/ DP and Client ID No.;
- ratio of rights issue and the issue price,
- Number of Equity Shares held as on Record Date;
- Allotment option preferred - only Demat form;
- Number of Rights Equity Shares entitled to;
- Number of Rights Equity Shares applied for;
- Number of Additional Rights Equity Shares applied for, if any;
- Total number of Rights Equity Shares applied for within the Right Entitlements;
- Total amount paid at the rate of ₹ [●] per Rights Equity Share;
- Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- In case of NR Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address and branch of the SCSB with which the account is maintained;
- Except for Applications on behalf of the Central or State Government, the residents of Sikkim and officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to the Issue. Documentary evidence for exemption to be provided by the applicants;
- Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);
- Additionally, all such Applicants are deemed to have accepted the following:

Kindly note that as per Regulation 78 (1) of the SEBI ICDR Regulations, the SCSBs shall accept plain paper application forms only if all details required for making the application as mentioned above and as prescribed in the these regulations are specified in the plain paper application.

“I/We understand that neither the Rights Entitlement nor the Rights Equity Shares have been, and will be, registered under the United States Securities Act of 1933, as amended (“US Securities Act”) or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (“United States”) or to, or for the account or benefit of a United States person as defined in the Regulation S of the US Securities Act (“Regulation S”). I/ we understand the Rights Equity Shares referred to in this application are being offered in India but not in the United States. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand this application should not be forwarded to or transmitted in or to the United States at any time. I/ we confirm that I/ we are not in the United States and understand that neither us, nor the Registrar, or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, or any other person acting on behalf of us have reason to believe is a resident of the United States “U.S. Person” (as defined in Regulation S) or is ineligible to participate in the Issue under the securities laws of their jurisdiction.

“I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

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

I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States or a Qualified Institutional Buyer (as defined in the US Securities Act), and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S or in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act.

I/We acknowledge that the Company will rely upon the truth and accuracy of the foregoing representations and agreements.”

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

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.bigshareonline.com. Our Company and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors’ ASBA Accounts on or before the Issue Closing Date.

Last date for Application

The last date for submission of the duly filled in Application Form is [●]. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the provisions of the Articles of Association, and subject to the Issue Period not exceeding 30 days from the Issue Opening Date.

If the Application together with the amount payable is either (i) not blocked with an SCSB; or (ii) not received by the Bankers to the Issue or the Registrar on or before the close of banking hours on the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as provided under “Terms of the Issue - Basis of Allotment” on page 198.

Modes of Payment

All payments against the Application Forms shall be made only through ASBA facility or internet banking or UPI facility if applying through B-WAP, the optional mechanism devised. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility or internet banking or UPI facility.

Mode of payment for Resident Investors

All payments against the Application Forms shall be made only through ASBA facility or internet banking or UPI facility if applying through the optional mechanism. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility or internet banking or UPI facility.

Mode of payment for Non-Resident Investors

As regards Applications by Non-Resident Investors, the following conditions shall apply:

- Individual non-resident Indian Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar and our Company.

Note: In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form shall be sent to their email addresses if they have provided their Indian address to our Company or if they are located in certain jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. The Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Non-Resident Investors shall send their Right Entitlement credit request with ID proof to the Registrar to the Issue at rightsissue@bigshareonline.com.

- Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.
- Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI.
- Eligible Non-Resident Equity Shareholders applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and Eligible Non-Resident Equity Shareholders applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (“NRO”) accounts for the full amount payable, at the time of the submission of the Application Form to the SCSB. Applications received from NRIs and non-residents for allotment of the Rights Equity Shares shall be inter alia, subject to the conditions imposed from time to time by the RBI under the FEMA in the matter of refund of Application Money, allotment of Rights Equity Shares and issue of letter of allotment. If an NR or NRI Investors has specific approval from RBI, in connection with his shareholding, he should enclose a copy of such approval with the Application Form.

Application by Eligible Equity Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company, in the manner provided on the website of the Registrar to the Issue at www.bigshareonline.com at least two Working Days prior to the Issue Closing Date. They may also communicate with the Registrar with the help of the helpline number (+91 22 6263 8200) and their email address (rightsissue@bigshareonline.com).

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among

others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

In accordance with the SEBI Rights Issue Circulars, (a) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date; or (b) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period. Such Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in “*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*” and “*Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner*” on pages 192 and 200, respectively.

Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form

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

- (a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date. The Eligible Equity Shareholders are encouraged to send the details by email due to lockdown and restrictions imposed due to current pandemic COVID-19;
- (b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- (c) The Eligible Equity Shareholders can access the Application Form from:
 - the website of the Registrar at (www.bigsareonline.com);
 - our Company at (www.patel-india.com); and
 - the Stock Exchanges at (www.bseindia.com, www.nseindia.com and www.cse-india.com).

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.bigsareonline.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on the website of our Company (i.e., www.patel-india.com);

The Eligible Equity Shareholders shall, who are, (a) Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date; or (b) resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date, and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, may also apply in this Issue during the Issue Period by filling the online Application Form available on B-WAP and make online payment using their internet banking or UPI facility from their own bank account thereat, on or before the Issue Closing Date. Such resident Eligible Equity Shareholders may be required to submit address, email address, contact details, copy of PAN and Client Master List, for verification of their Application. Further, such resident Eligible Equity Shareholder can:

- (a) apply for its Rights Equity Shares to the full extent of its Rights Entitlements;
- (b) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); and
- (c) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares.

PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR

OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

For details of credit of the Rights Equity Shares to such resident Eligible Equity Shareholders, see “*Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner*” on page 200.

Allotment of the Rights Equity Shares in Dematerialized Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE.

FOR DETAILS, SEE “ALLOTMENT ADVICES/REFUND ORDERS” ON PAGE 199.

General instructions for Investors

- (a) Please read this Draft Letter of Offer, Letter of Offer and Application Form carefully to understand the Application process and applicable settlement process.
- (b) In accordance with the SEBI Rights Issue Circulars, (a) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date; or (b) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period. Such Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in “*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*” and “*Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner*” on pages 192 and 200, respectively.
- (c) Please read the instructions on the Application Form sent to you.
- (d) The Application Form can be used by both the Eligible Equity Shareholders and the Renounees.
- (e) Application should be made only through the ASBA facility or using B-WAP (for Original Shareholders only).
- (f) Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected.
- (g) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section “*Application on Plain Paper under ASBA process*” on page 189. In accordance with Regulation 78 , kindly ensure that the plain paper application forms shall contain all the details required for making the application as mentioned in this chapter and as prescribed in the these regulations are specified in the plain paper application.
- (h) In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process or the optional mechanism instituted only for resident Investors in this Issue, i.e., B-WAP. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA or using B-WAP.
- (i) An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA

enabled bank account with an SCSB, prior to making the Application.

- (j) In case of Application through B-WAP, the Investors should enable the internet banking or UPI facility of their respective bank accounts.
- (k) Applications should be (i) submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or (ii) filled on B-WAP. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges, and (ii) the optional facility will be available until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.
- (l) Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar.
- (m) In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form.
- (n) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.
- (o) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Furthermore, in case of Applications submitted using the optional facility, payments shall be made using internet banking or UPI facility. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon.
- (p) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- (q) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant’s name and all communication will be addressed to the first Applicant.
- (r) All communication in connection with Application for the Rights Equity Shares, including any change in address of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable. In case of any change in address of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- (s) Only persons outside restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Rights Equity Shares under applicable securities laws are eligible to participate.
- (t) Please note that subject to SCSBs complying with the requirements of SEBI Circular No.

CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

- (u) In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications.

Do's:

- (a) Ensure that the Application Form and necessary details are filled in.
- (b) Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act.
- (c) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“**Demographic Details**”) are updated, true and correct, in all respects.
- (d) Investors should provide correct DP ID and client ID/ folio number while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.

Don'ts:

- (a) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- (b) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (c) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (d) Do not pay the Application Money in cash, by money order, pay order or postal order.
- (e) Do not submit multiple Applications.

Do's for Investors applying through ASBA:

- (a) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- (b) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- (c) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (d) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.

- (e) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- (f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- (g) In accordance with Regulation 78 , kindly ensure that the plain paper application forms shall contain all the details required for making the application as mentioned in this chapter and as prescribed in the these regulations are specified in the plain paper application.
- (h) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

Don'ts for Investors applying through ASBA:

- a) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- b) Do not send your physical Application to the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- c) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process.

Do's for Investors applying through B-WAP:

- (a) Ensure that the details of the correct bank account have been provided while making payment along with submission of the Application;
- (b) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in the bank account through which payment is made using the B-WAP;
- (c) Ensure that you make the payment towards your application through your bank account only and not use any third party bank account for making the payment;
- (d) Ensure that you receive a confirmation email/SMS on successful transfer of funds; and
- (e) Ensure you have filled in correct details of folio number, DP ID and Client ID, PAN as applicable, and all such other details as may be required.

Don'ts for Investors applying through B-WAP:

- (a) Do not apply from bank account of third parties.
- (b) Do not apply if you are a non-resident Investor.
- (c) Do not apply from non-resident account.

Grounds for Technical Rejection

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

- (a) DP ID and Client ID mentioned in Application not matching with the DP ID and Client ID records available with the Registrar.
- (b) Sending an Application to the Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company.

- (c) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (d) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- (e) Account holder not signing the Application or declaration mentioned therein.
- (f) Submission of more than one application Form for Rights Entitlements available in a particular demat account.
- (g) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- (h) In accordance with Regulation 78 , all the details required for making the application as mentioned in this chapter and as prescribed in the these regulations have not been mentioned in the plain paper application.
- (i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- (j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
- (k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Draft Letter of Offer and the Letter of Offer.
- (m) Physical Application Forms not duly signed by the sole or joint Investors.
- (n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- (o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- (p) Applications which have evidence of being executed or made in contravention of applicable securities laws.

Applications under the B-WAP process are liable to be rejected on the following grounds (in addition to above applicable grounds):

- (a) Applications by non-resident Investors;
- (b) Payment from third party bank accounts; and
- (c) Applied from both mode i.e. B-WAP and ASBA in that case B-WAP application will be liable for rejection.

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

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

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

request, to the Registrar, the required Demographic Details as available on its records.

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

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

Multiple Applications

A separate Application can be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Applications shall not be treated as multiple applications. For details, see “*Investment by Mutual Funds*” below on page 205.

In cases where multiple Applications are submitted, including cases where an Investor submits Application Forms along with a plain paper Application or multiple plain paper Applications, such Applications shall be treated as multiple applications and are liable to be rejected.

Underwriting

The Issue is not underwritten.

Issue schedule

Issue Opening Date	[●]
Last date for on-market renunciation of rights / Date of closure of trading of Rights Entitlements	[●]
Issue Closing Date	[●]
Finalising the basis of allotment with the Designated Stock Exchange (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of credit (on or about)	[●]
Date of listing (on or about)	[●]

**Our Board may, however, decide to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).*

***Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company and/or the Registrar to the Issue will not be liable for any loss on account of non-submission of Application Forms or on before the Issue Closing Date.*

Basis of Allotment

Subject to the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter, the Articles of Association of our Company and the approval of the Designated Stock Exchange, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

- a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
- b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment

under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.

- c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for additional Rights Equity Shares. The Allotment of such additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- e) Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Designated Branches, a list of the ASBA Investors who have been Allotted Rights Equity Shares in the Issue, along with:

- (a) The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA Application;
- (b) The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- (c) The details of rejected ASBA Applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

In the event of over subscription, Allotment shall be made within the overall size of the Issue.

Allotment Advices/Refund Orders

Our Company will issue and dispatch Allotment advice, refund instructions (including in respect of Applications made through the optional facility) or demat credit of securities and/or letters of regret, along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 15 days' period.

In case of Applications through the optional facility B-WAP, refunds, if any, will be made to the registered bank account details in demat account. Therefore, the Investors should ensure that such bank accounts remain valid and active.

Investors residing at centers where clearing houses are managed by the RBI will get refunds through National Automated Clearing House ("NACH") except where Investors have not provided the details required to send electronic refunds or where the investors are otherwise disclosed as applicable or eligible to get refunds through direct credit and real-time gross settlement ("RTGS").

In case of those investors who have opted to receive their Rights Entitlement in dematerialized form using electronic credit under the depository system, and the Allotment advice regarding their credit of the Rights Equity Shares shall be sent at the address recorded with the Depository. Investors to whom refunds are made through

electronic transfer of funds will be sent a letter through ordinary post intimating them about the mode of credit of refund within 15 days of the Issue Closing Date.

In accordance with the SEBI ICDR Regulations, the option to receive the Rights Equity Shares in physical form was available only for a period of six months from the date of coming into force of the SEBI ICDR Regulations, i.e., until May 10, 2019. Since Allotment in this Issue will occur subsequent to May 10, 2019, the entitlement of Rights Equity Shares to be Allotted to the Applicants who have applied for Allotment of the Rights Equity Shares in physical form will be kept in abeyance in electronic mode by our Company until six months.

The letter of allotment or refund order would be sent by registered post or speed post to the sole/ first Investor's address provided by the Eligible Equity Shareholders to our Company. Such refund orders would be payable at par at all places where the Applications were originally accepted. The same would be marked 'Account Payee only' and would be drawn in favor of the sole/ first Investor. Adequate funds would be made available to the Registrar for this purpose.

Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner

In case of Allotment to resident Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date, have paid the Application Money and have not provided the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, the following procedure shall be adhered to:

- (a) the Registrar shall send Allotment advice and credit the Rights Equity Shares to a demat suspense account to be opened by our Company;
- (b) within 6 (six) months from the Allotment Date, such Eligible Equity Shareholders shall be required to send a communication to our Company or the Registrar containing the name(s), Indian address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by post, speed post, courier, electronic mail or hand delivery;
- (c) Our Company (with the assistance of the Registrar) shall, after verification of the details of such demat account by the Registrar, transfer the Rights Equity Shares from the demat suspense account to the demat accounts of such Eligible Equity Shareholders;
- (d) In case of non-receipt of details of demat account as per (b) above, our Company shall conduct a sale of such Rights Equity Shares lying in the demat suspense account on the floor of the Stock Exchanges at the prevailing market price and remit the proceeds of such sale (net of brokerage, applicable taxes and administrative and incidental charges) to the bank account mentioned by the resident Eligible Equity Shareholders in their respective Application Forms and from which the payment for Application Money was made. In case such bank accounts cannot be identified due to any reason or bounce back from such account, our Company may use payment mechanisms such as cheques, demand drafts, etc. to such Eligible Equity Shareholders to remit such proceeds. Such Rights Equity Shares may be sold over such period of time as may be required, depending on liquidity and other market conditions on the floor of the Stock Exchanges after the expiry of the period mentioned under (b) above. Therefore, such proceeds (net of brokerage, applicable taxes and administrative and incidental charges) by way of sale of such Rights Equity Shares may be higher or lower than the Application Money paid by such Eligible Equity Shareholders;
- (e) Our Company shall send reminder notices seeking the requisite details of demat account prior to expiry of time period under (b) above, in due course, to such resident Eligible Equity Shareholders who have not provided the requisite details. After expiry of time period under (b) above, our Company or the Registrar shall not accept any requests by such Eligible Equity Shareholders for updation of details of demat account under any circumstances, including in case of failure to sell such Rights Equity Shares;
- (f) After the consummation of the sale of Rights Equity Shares on the floor of the Stock Exchanges, our Company shall send an intimation to the respective Eligible Equity Shareholders, giving details of such sale, including the sale price and break-up of net brokerage, taxes and administrative and incidental charges; and
- (g) If at the time of transfer of sale proceeds for default cases, the bank account from which Application Money

was received is closed or non-operational, such sale proceeds will be transferred to IEPF in accordance with practice on Equity Shares and as per applicable law.

- (h) In case the details of demat account provided by the Eligible Equity Shareholders are not of his/ her own demat account, the Rights Equity Shares shall be subject to sale process specified under (d) above.

Notes:

1. Our Company will open a separate demat suspense account to credit the Rights Equity Shares in respect of such Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date and have not provided details of their demat accounts to our Company or the Registrar, at least two Working Days prior to the Issue Closing Date. Our Company, with the assistance of the Registrar, will initiate transfer of such Rights Equity Shares from the demat suspense account to the demat account of such Eligible Equity Shareholders, upon receipt of details of demat accounts from the Eligible Equity Shareholders.
2. The Eligible Equity Shareholders cannot trade in such Rights Equity Shares until the receipt of demat account details and transfer to such Eligible Equity Shareholders' respective account.
3. There will be no voting rights against such Rights Equity Shares kept in the demat suspense account. However, the respective Eligible Equity Shareholders will be eligible to receive dividends, if declared, in respect of such Rights Equity Shares in proportion to amount paid-up on the Rights Equity Shares, as permitted under applicable laws.
4. Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of buying or selling of Rights Equity Shares or Rights Entitlements. The Eligible Equity Shareholders should obtain their own independent tax and legal advice and may not rely on our Company or any of their affiliates including any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates when evaluating the tax consequences in relation to the Rights Equity Shares (including but not limited to any applicable short-term capital gains tax, or any other applicable taxes or charges in case of any gains made by such Eligible Equity Shareholders from the sale of such Rights Equity Shares).
5. Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not be liable in any manner and not be responsible for acts, mistakes, errors, omissions and commissions, etc., in relation to any delay in furnishing details of demat account by such Eligible Equity Shareholders, any resultant loss to the Eligible Equity Shareholders due to sale of the Rights Equity Shares, if such details are not correct, demat account is frozen or not active or in case of non-availability of details of bank account of such Eligible Equity Shareholders, profit or loss to such Eligible Equity Shareholders due to aforesaid process, tax deductions or other costs charged by our Company, or on account of aforesaid process in any manner.

Payment of Refund

Mode of making refunds

In case of Applicants not eligible to make an application through ASBA process, the payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes:

1. **National Automated Clearing House ("NACH")** – NACH is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centers specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centers where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the Depositories), except where the Applicant is otherwise disclosed as eligible to get refunds through NEFT, Direct Credit or RTGS.
2. **National Electronic Fund Transfer ("NEFT")** – Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code ("**IFSC Code**"), which

can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, such MICR number and the bank account number will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

3. **Direct Credit** – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for such refund would be borne by our Company.
4. **RTGS** – If the refund amount exceeds ₹ 200,000, Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event such IFSC Code is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for such refund would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.
5. For all other Investors, the refund orders will be dispatched through speed post or registered post. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.
6. Credit of refunds to Investors in any other electronic manner, permissible under the banking laws, which are in force, and is permitted by SEBI from time to time.

Refund payment to Non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

Printing of Bank Particulars on Refund Orders

As a matter of precaution against possible fraudulent encashment of refund orders due to loss or misplacement, the particulars of the Investor's bank account are mandatorily required to be given for printing on the refund orders. Bank account particulars, where available, will be printed on the refund orders or refund warrants which can then be deposited only in the account specified. Our Company will, in no way, be responsible if any loss occurs through these instruments falling into improper hands either through forgery or fraud.

Allotment advice or Demat Credit

The demat credit of securities to the respective beneficiary accounts or the demat suspense account (pending receipt of demat account details for Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Option to receive Right Equity Shares in Dematerialised Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES OF OUR COMPANY CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALISED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in the Issue in the electronic form is as under:

- Open a beneficiary account with any Depository Participant (*care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company*). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for each such holding. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
- It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
- The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
- If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
- The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
- Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in the Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.
- Non-transferable allotment advice/ refund orders will be sent directly to the Investors by the Registrar to the Issue.
- Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.

Resident Eligible Equity Shareholders, who hold Equity Shares in physical form and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares in this Issue must check the procedure for application by and credit of Rights Equity Shares to such Eligible Equity Shareholders in "Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form" and "Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form" on pages 192 and 200, respectively.

Investment by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the multiple entities having common ownership, directly or indirectly, of more than 50% or common control) must be below 10% of our post- Issue Equity Share capital. Further, in terms of FEMA Rules, the total holding by each FPI shall be below 10% of the total paid-up equity share capital of a company on a fully-diluted basis and the total holdings of all FPIs put together shall not exceed 24% of the paid-up equity share capital of a company on a fully diluted basis.

Further, pursuant to the FEMA Rules the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid up value of each series of debentures or preference shares or warrants.

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. The FPIs who wish to participate in the Issue are advised to use the ASBA Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, only Category I FPIs, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons eligible to be registered as Category I FPIs; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI may transfer offshore derivative instruments to persons compliant with the requirements of Regulation 21(1) of the SEBI FPI Regulations and subject to receipt of consent, except where pre-approval is provided.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Investment by Systemically Important Non-Banking Financial Companies (NBFC – SI)

In case of an application made by Systemically Important NBFCs registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45 –IA of the RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Investment by AIFs, FVCIs and VCFs

The SEBI (Venture Capital Funds) Regulations, 1996, as amended (“**SEBI VCF Regulations**”) and the SEBI (Foreign Venture Capital Investor) Regulations, 2000, as amended (“**SEBI FVCI Regulations**”) prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI (Alternative Investments Funds) Regulations, 2012 (“**SEBI AIF Regulations**”) prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue.

Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations.

Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection

Applications will not be accepted from FPIs in restricted jurisdictions.

FPIs which are QIBs, Non-Institutional Investors or whose application amount exceeds ₹ 2 lakhs can participate in the Rights Issue only through the ASBA process. Further, FPIs which are QIB applicants and Non-Institutional Investors are mandatorily required to use ASBA, even if application amount does not exceed ₹ 2 lakhs.

Investment by NRIs

Investments by NRIs are governed by Rule 12 of FEMA Rules. Applications will not be accepted from NRIs in Restricted Jurisdictions.

NRIs may please note that only such Applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The NRIs who intend to make payment through NRO accounts shall use the Application form meant for resident Indians and shall not use the Application forms meant for reserved category.

As per Rule 12 of the FEMA Rules read with Schedule III of the FEMA Rules, an NRI or OCI may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Investment by Mutual Funds

Applications made by asset management companies or custodians of Mutual Funds should clearly and specifically state names of the concerned schemes for which such Applications are made.

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.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Procedure for applications by Systemically Important NBFCs

In case of application made by Systemically Important NBFCs registered with the RBI, (i) the certificate of registration issued by the RBI under Section 45 –IA of the RBI Act, 1934 and (ii) networth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Payment by stock invest

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest Scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- (i) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (ii) 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*
- (iii) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 10 lakhs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which

shall not be less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. Where such fraud (i) involves an amount which is less than ₹ 10 lakhs or 1% of the turnover of the Company, whichever is lower, and (ii) does not involve public interest, then such fraud is punishable with imprisonment for a term extending up to five years or fine of an amount extending up to ₹ 50 lakhs or with both.

Dematerialised Dealing

Our Company has entered into tripartite agreements dated August 30, 2013 and August 27, 2013 with NSDL and CDSL, respectively, and our Equity Shares bear the ISIN: INE529D01014.

Disposal of Applications and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form and the B-WAP platform would generate an electronic acknowledgment to the Eligible Equity Shareholders upon submission of the Application. Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA or refunded to the Investors in the registered bank account, in case of an application using the B-WAP facility. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

Utilization of Issue Proceeds

Our Board of Directors declares that:

- (a) All monies received out of the Issue shall be transferred to a separate bank account;
- (b) Details of all monies utilized out of the Issue shall be disclosed, and shall continue to be disclosed until the time any part of the Issue Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
- (c) Details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
- (d) Our Company may utilize the funds collected in the Issue only after final listing and trading approvals for the Rights Equity Shares Allotted in the Issue is received.

Undertakings by our Company

Our Company undertakes the following:

- (i) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.
- (ii) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Rights Equity Shares are to be listed will be taken within the time prescribed by the SEBI.
- (iii) The funds required for making refunds to unsuccessful Applicants as per the mode(s) disclosed shall be made

available to the Registrar by our Company.

- (iv) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- (v) Other than any Equity Shares that may be issued pursuant to exercise options under the ESOP 2016 and ESOP 2018, no further issue of securities affecting our Company's Equity Share capital shall be made until the Rights Equity Shares are listed or until the Application Money is refunded on account of non-listing, under subscription etc.
- (vi) In case of unblocking of the application amount for unsuccessful Applicants or part of the application amount in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- (vii) Adequate arrangements shall be made to collect all ASBA Applications and to consider them similar to non-ASBA Applications while finalizing the Basis of Allotment.
- (viii) At any given time, there shall be only one denomination for the Rights Equity Shares of our Company.
- (ix) Our Company shall comply with all disclosure and accounting norms specified by the SEBI from time to time.
- (x) Our Company accepts full responsibility for the accuracy of information given in this Draft Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Draft Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

Minimum subscription

In accordance with Regulation 86 of the SEBI ICDR Regulations, for this Issue the minimum subscription which is required to be achieved is of at least 90% of the Issue. Our Company does not fall under the exemption to Regulation 86(1) which has been inserted by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020.

However, SEBI vide its circular dated April 21, 2020 bearing number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 has relaxed the requirement of minimum subscription and has reduced the threshold of subscription from 90% to 75% of the Issue. Further, as per the said circular if the Issue is subscribed between 75% to 90%, Issue will be considered successful subject to the condition that out of the funds raised at least 75% of the Issue size shall be utilized for the objects of the Issue other than general corporate purpose. The relaxation is subject to the condition that this Issue opens before March 31, 2021.

If our Company does not receive the minimum subscription of at least 75% of the Issue, or the subscription level falls below 75%, after the Issue Closing Date on account of cheques being returned unpaid or withdrawal of applications, our Company shall refund the entire subscription amount received within 15 days from the Issue Closing Date. If there is delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rates prescribed under applicable laws.

Filing

SEBI *vide* the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer will be filed with the Stock Exchanges and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchanges.

Withdrawal of the Issue

Subject to provisions of the SEBI ICDR Regulations, the Companies Act and other applicable laws, Our Company

reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue anytime after the Issue Opening Date, a public notice within two (2) Working Days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisement has appeared and the Stock Exchanges will also be informed promptly.

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. Our Company shall also inform the same to the Stock Exchanges.

If our Company withdraws the Issue at any stage including after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh offer document with the stock exchanges where the Equity Shares may be proposed to be listed.

Important

Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected. It is to be specifically noted that this Issue of Rights Equity Shares is subject to the risk factors mentioned in “*Risk Factors*” on page 21.

All enquiries in connection with this Draft Letter of Offer, the Letter of Offer or Application Form and the Rights Entitlement Letter must be addressed (quoting the Registered Folio Number or the DP and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed “*Patel Integrated Logistics Limited – Rights Issue*” on the envelope to the Registrar at the following address:

Bigshare Services Private Limited

1st floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai- 400 059,
Maharashtra, India.

Telephone: +91 22 6263 8200

Facsimile: +91 22 6263 8280

E-mail: rightsissue@bigshareonline.com

Website: www.bigshareonline.com

Contact person: Ashish Bhope

Investor grievance: investor@bigshareonline.com

SEBI Registration No: INR000001385

Validity of Registration: Permanent

In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar (www.bigshareonline.com). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is (+91 22 6263 8200).

The Issue will remain open for a minimum period of 15 days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“**FDI**”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“**DPIIT**”), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

Subsequently, the DIPP issued the Standard Operating Procedure (SOP) for Processing FDI Proposals on June 29, 2017 (the “**SOP**”). The SOP provides a list of the competent authorities for granting approval for foreign investment for sectors/activities requiring Government approval. For sectors or activities that are currently under automatic route but which required Government approval earlier as per the extant policy during the relevant period, the concerned administrative ministry/department shall act as the competent authority (the “Competent Authority”) for the grant of post facto approval of foreign investment. In circumstances where there is a doubt as to which department shall act as the Competent Authority, the DIPP shall identify the Competent Authority.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2017 (“**FDI Circular 2017**”), which, with effect from August 28, 2017, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on August 28, 2017. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2017 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict between FEMA and such policy pronouncements, FEMA prevails. The Consolidated FDI Policy, issued by the DIPP, consolidates the policy framework in place as on August 27, 2017, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore the Consolidated FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

As per the existing policy of the Government of India, erstwhile OCBs cannot participate in this Issue.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION IX – STATUTORY AND OTHER INFORMATION

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialized form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date, or (c) demat suspense account pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ where the credit of the Rights Entitlements returned/reversed/failed.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, would be available on the website of the Company at www.patel-india.com from the date of this Draft Letter of Offer until the Issue Closing Date.

1. Material Contracts for the Issue

- (i) Registrar Agreement dated [●] entered into amongst our Company and the Registrar to the Issue.*
**Shall be executed at the time of filing of the Letter of Offer.*
- (ii) Escrow Agreement dated [●] amongst our Company, the Registrar to the Issue and the Bankers to the Issue.

2. Material Documents

- (i) Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time.
- (ii) Annual Reports of the Company for the past five years.
- (iii) Certificate of incorporation dated June 26, 1970.
- (iv) Certificate of incorporation issued post conversion of our Company to a deemed public company on September 20, 1988.
- (v) Fresh certificate of incorporation dated October 29, 1993 consequent upon conversion from deemed public company to full-fledged public company.
- (vi) Fresh certificate of incorporation dated September 26, 2006 consequent upon change of name of our Company to '*Patel Integrated Logistics Limited*'.
- (vii) Resolution of the Board of Directors dated September 15, 2020 in relation to the Issue.
- (viii) Resolution of the Board of Directors dated December 22, 2020 approving and adopting this Draft Letter of Offer.
- (ix) Resolution of the Board of Directors dated [●] approving and adopting the Letter of Offer.
- (x) Resolution of our Board dated [●], finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio.
- (xi) Consent of our Directors, Company Secretary and Compliance Officer, Statutory Auditor, Bankers to our Company, Legal Advisor, the Registrar to the Issue for inclusion of their names in the Draft Letter of Offer in their respective capacities.
- (xii) The examination reports dated December 21, 2020 of the Statutory Auditor, on our Company's Restated Financial Statements, included in this Draft Letter of Offer.
- (xiii) Statement of Tax Benefits dated December 21, 2020 from the Statutory Auditor included in this Draft Letter of Offer.
- (xiv) Tripartite Agreement dated August 30, 2013 between our Company, NSDL and the Registrar to the Issue.
- (xv) Tripartite Agreement dated August 27, 2013 between our Company, CSDL and the Registrar to the Issue.
- (xvi) In principle listing approvals dated [●], [●] and [●] issued by BSE, NSE and CSE respectively.

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Letter of Offer is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Syed Khurshid Husain
(Chairman and Whole – Time Director)

Sd/-

Hari Venugopal Nair
(Additional (Executive) Director)

Sd/-

Farukh Soli Wadia
(Independent Director)

Sd/-

Vilas Pandurang Unavane
(Independent Director)

Sd/-

Jasmine Divyesh Mehta
(Independent Director)

Sd/-

Ramakant Krishnajirao Kadam
(Independent Director)

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Sd/-

Deepak Madhukar Keni
(Chief Financial Officer)

Date: December 22, 2020

Place: Mumbai