



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 a fresh certificate of incorporation 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: 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

ISSUE OF UPTO [●] EQUITY SHARES OF FACE VALUE ₹ 10 EACH (“RIGHTS EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] EACH INCLUDING A SHARE PREMIUM OF ₹ [●] PER RIGHTS EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING UPTO ₹ 4,000 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 158 OF THIS DRAFT LETTER OF OFFER.

WILFUL DEFAULTERS

Neither our Company, nor any of our Promoters or Directors are categorised as wilful defaulters by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

AMOUNT PAYABLE PER RIGHTS EQUITY SHARE*	FACE VALUE (₹)	PREMIUM (₹)	TOTAL (₹)
On Application	2.50	[●]	[●]
First and Final Call	7.50	[●]	[●]
Total	10.00	[●]	[●]

* For further details on Payment Schedule, see “Terms of the Issue” on page 158.

GENERAL RISK

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 22 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”) (BSE and NSE together the “Stock Exchanges”). Our Company has received ‘in-principle’ approvals from the BSE and NSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide their letters dated [●] and [●], respectively. Our Company will also make applications to the Stock Exchanges to obtain trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. Our Company does not intend to list its Rights Equity Shares on the trading platform of the CSE. 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 Bhope

Investor grievance: investor@bigshareonline.com

SEBI Registration No: INR000001385

Validity of Registration: Permanent

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

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

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

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Letter of Offer uses certain definitions and abbreviations 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 Tax Benefits”, “Outstanding Litigation and Material Developments” and “Issue Related Information” on pages 69, 19, 92, 66, 146, and 158 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” or “Patel Integrated”	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 Audited Financial Statements” “Audited Financial Statements”	The audited financial statements of our Company for the Fiscals 2020 and 2021, 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 88 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.
“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”	52, Natasha, Hill Road, Bandra (West), Mumbai – 400 052, Maharashtra, India
“Corporate Social Responsibility Committee/ CSR Committee”	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” 88 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.
“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 90 of this Draft Letter of Offer.
Materiality Policy	A policy adopted by our Company, in the Board Meeting held on September 23, 2021 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 88 of this Draft Letter of Offer.
“Non-executive Directors”	Non-executive Directors of our Company.
“Non-Executive and 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 19 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.
“Rights Issue Committee”	The committee of our Board constituted for purposes of this 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 88 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.
Additional Rights Equity Shares / Additional Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement.
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 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.

Term	Description
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 R-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 R-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 ASBA Account	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 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.
Banker(s) to the Issue	Collectively, the Escrow Collection Bank and the Refund Banks to the Issue, in this case being [●].
Bankers to the Issue Agreement	Agreement dated [●] 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 158 of this Draft Letter of Offer.
Call/ First and Final Call	The notice issued by our Company to the holders of the Rights Equity Shares as on the Call Record Date for making a payment of the Call Money.
Call Money	The balance amount payable by the holders of the Rights Equity Shares pursuant to the Payment Schedule, being ₹ [●] per Rights Equity Share after payment of the Application Money.
Call Record Date	A record date fixed by our Company for the purpose of determining the names of the holders of Rights Equity Shares for the purpose of issuing of the Call.
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.

Term	Description
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&intmId=35 , updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Exchange	Stock Exchange
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 September 23, 2021 filed with the Stock Exchanges, for its observations and in-principle listing approval.
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 Shareholders	Equity Existing Equity Shareholders as on the Record Date i.e. [●]. 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 12 of this Draft Letter of Offer.
Issue / Rights Issue	Issue of up to [●] Equity Shares of face value of ₹ 10 each (“ Rights Equity Shares ”) of our Company for cash at a price of ₹ [●] per Rights Equity Share (including a share premium of ₹ [●] per Rights Equity Share) aggregating up to ₹4,000* lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] ([●]) Rights Equity Shares for every [●] ([●]) fully paid-up Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date i.e. [●].

The Issue is being envisaged in stages as described below:

Amount Payable Per Rights Equity Share	Face Value (₹)	Premium (₹)	Total (₹)
On Application	2.50	[●]	[●]
One or more subsequent Call(s) as determined by the board at its sole discretion, from time to time	7.50	[●]	[●]
Total	10.00	[●]	[●]

**Assuming full subscription and receipt of all Call Money with respect to Rights Equity Shares*

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. On Application, Investors will have to pay ₹ [●] per Rights Equity Share which constitutes 25.00% of the Issue Price and the balance ₹ [●] per Rights Equity Share which constitutes 75.00% of the Issue Price, will have to be paid on the First and Final Call, as determined by our Board at its sole discretion.
Issue Proceeds	Gross proceeds of the Issue.
Issue Size	Amount aggregating up to ₹ [●] lakhs* <i>*Assuming full subscription and receipt of all Call Money with respect to Rights Equity Shares</i>
Letter of Offer/LOF	The final Letter of Offer to be issued by our Company in connection with the Issue.
Net Proceeds	Proceeds of the Issue less 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

Term	Description
	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 [●].
Payment Schedule	Payment schedule under which 25.00% of the Issue Price is payable on Application, i.e., ₹[●] per Rights Equity Share, and the balance unpaid capital constituting 75.00% of the Issue Price i.e., ₹[●] will have to be paid on the First and Final Call, as determined by our Board at its sole discretion.
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 [●].
Registrar to the Issue / Registrar	Bigshare Services Private Limited.
Registrar Agreement	Agreement dated September 9, 2021 entered into amongst 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 i.e. [●]. Such period shall close on [●] in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date i.e. [●].
Retail Individual 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	<p>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 every [●] ([●]) Equity Shares held on [●].</p> <p>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 i.e. [●]</p> <p><i>Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date.</i></p>
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements are also accessible through the R-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.

Term	Description
R-WAP	Registrar’s web based application platform accessible at www.linkintime.co.in instituted as an optional mechanism in accordance with SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021 for accessing/ submitting online Application Form by resident Investors.
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, SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021.
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 and NSE.
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 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

Term	Description
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.
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 Rules	The Foreign Exchange Management (Non-debt instruments) Rules, 2019
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

Term	Description
	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
Fugitive Offender	Economic An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
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 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

Term	Description
SCRA	Securities Contract (Regulation) Act, 1956, 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 Investment 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
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 (collectively “**Issue Material**”) 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 the Issue Material may come are required to inform themselves about and observe such restrictions.

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch through email and courier the Issue Material only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, the Draft Letter of Offer will be provided, through email and courier, 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 Issue Material from the websites of the Registrar, our Company, the Stock Exchanges, and on R-WAP. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any Issue Materials.

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 the Issue Material 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 the Issue Material will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Issue Material 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 the Issue Material should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Issue Material to any person outside India where to do so, would or might contravene local securities laws or regulations. If the Issue Material is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in the Issue Material.

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 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 at any time subsequent to the date of this Draft Letter of Offer or the date of such information.

Neither the delivery of the Issue Material 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 the Issue Material 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, the Issue Material 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 Issue Material 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.

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

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND CURRENCY OF PRESENTATION

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 92. 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 Audited Financial Statements of our Company for the Financial Year ended March 2021 and the three months period ended June 30, 2021 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, 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 10,00,000.

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 92.

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 10,00,000. 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 Audited 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		
	March 31, 2021	March 31, 2020	March 31, 2019*
1 USD	73.51	75.38	69.17
1 Euro	86.01	83.04	77.70

(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.

(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 22, 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 22, and 134, 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 22, 52, 58, 61, 79, 69, 146 and 158 respectively.

1. Summary of Industry

In India the air transport industry contributed about USD 30 billion annually to India's GDP, and directly employed more than 3,90,000 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 ₹ 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 69 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 79 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 19 of this Draft Letter of Offer.

4. Intention and extent of participation by our Promoters and Promoter Group

Pursuant to letter dated September 8, 2021, Mr Asgar Shakoor Patel (“Subscription Letter”), has confirmed that he along with other Promoters and certain members of Promoter Group of our Company, intend to subscribe, jointly and / or severally, to the full extent of their Rights Entitlements (including through subscription of any Rights Entitlements renounced in their favour by any other Promoter or member(s) of the Promoter Group of our Company). Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

5. Objects of the Issue

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

Particulars	(₹ in lakhs) Amount
Repayment and/or prepayment of a portion of the principal and/or interest of certain borrowings availed by our Company	3,500
General corporate purposes	[●]
Total Net proceeds	[●]

The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

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

6. Summary of Audited Financial Information

Following are the details as per the Audited Financial Information as at and for the Financial Years ended on March 31, 2020 and 2021 and the quarter ended June 30, 2021:

		(in ₹)		
S. No.	Particulars	June 30, 2021*	March 31, 2021	March 31, 2020
1.	Authorised Share Capital	30,00,00,000	30,00,00,000	30,00,00,000
2.	Paid-up Capital	26,03,59,230	26,03,59,230	16,53,59,230
3.	Net Worth attributable to Equity Shareholders	1,16,51,88,796	1,16,61,60,967	1,19,03,04,665
4.	Total Revenue	51,06,91,573	2,12,24,92,745	3,47,40,92,723
5.	Profit after tax	(80,81,079)	5,49,435	10,74,06,119
6.	Earnings per Share (basic & diluted) (in ₹)	(0.31)	0.03	6.50
7.	Net Asset Value per Equity Share (in ₹)	45	44.79	71.98
8.	Total Borrowings	52,40,74,167	61,82,78,876	64,99,46,939

*Quarterly, Unaudited, reviewed

For further details, please refer the section titled “*Financial Information*” on 92 of this Draft Letter of Offer.

7. 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)
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company	2	12.30
Tax Proceedings	-	-
Proceedings involving material violations of statutory regulations by our Company	-	-
Economic offences	-	-
Material civil litigations above the materiality threshold	-	-
Other civil litigation considered to be material by our Company’s Board of Directors	3	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	10	61.1
Other civil litigation considered to be material by our Company’s Board of Directors	2	780.27

*To the extent quantifiable

For further details, please see the chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 146 of this Draft Letter of Offer.

8. Risk Factors

Please see the chapter titled “Risk Factors” beginning on page 22 of this Draft Letter of Offer.

9. Summary of Contingent Liabilities

Following are the details as per the Audited Financial Information as at and for the Financial Year ended on March 31, 2021:

Particulars	(₹ in lakhs)
Estimated amount of contracts remaining to be executed on capital expenditure and not provided	58.21
Counter guarantees given to Banks against credit facilities	516.15
Claims against the Company not acknowledged as debts	625.92
Total	1200.28

For further details, please see the chapters titled “Audited Financial Information- Annexure –V- Notes to Audited Financial Statements- Note 35- Contingent Liabilities” at page 125 of the Audited Financial Information in this Draft Letter of Offer.

10. Summary of Related Party Transactions

Nature of Transaction	Name of the related party	Year ended 31st Mar 2021	Year ended 31st Mar 2020
Consultancy Charges	A.S.Patel	35,00,000	40,00,000
Rent Received	One Capitall Ltd	-	1,18,920
Managerial Remuneration	Late. Areef Patel	-	1,18,24,301
	Syed Husain	35,37,673	31,38,085
	Mahesh Fogla	18,48,052	42,64,087
	Nitin Akolkar	10,49,255	9,31,669
	Mr. Hari Nair	7,36,268	-
	Ms. Jasmin Lalla	3,38,187	-
	Deepak Keni	8,56,234	-
	Sweta Parekh	1,20,217	-
ICD Taken	Natasha Construction Projects Private Ltd	-	2,00,00,000
ICD Repaid		2,00,00,000	-
Interest on ICD taken	Natasha Construction Projects Private Ltd	-	2,33,333

For further details, please refer “Audited Financial Information- Annexure V- Notes to Audited Financial Statements- Note 40 - Related Party Disclosures” at page 92 of the Audited Financial Information in this Draft Letter of Offer.

11. 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.

12. 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 69, 79 and 134 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 17 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 Audited Financial Information, prepared in accordance with Ind AS and the Companies Act.

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 third 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)
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company	2	12.30
Tax Proceedings	-	-
Proceedings involving material violations of statutory regulations by our Company	-	-
Economic offences	-	-
Material civil litigations above the materiality threshold	-	-
Other civil litigation considered to be material by our Company's Board of Directors	3	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	10	61.1
Other civil litigation considered to be material by our Company's Board of Directors	2	780.27

**To the extent quantifiable*

. 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 146 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, DCB Bank, Citizen Credit Co-operative Bank Limited and Saraswat Co-operative Bank Limited. Our Company *vide* request letters dated August 18, 2021 has applied for consent of HDFC Bank Limited, DCB Bank, Citizen Credit Co-operative Bank Limited and Saraswat Co-operative Bank Limited for the proposed Issue, however we have not been able to obtain the same. Our Company proposes to utilize an aggregate amount of ₹3,500 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.

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. 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. *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 lakhs)	
Particulars	Amount
Loss incurred during the three months quarter ended June 30, 2021	80.81
Loss incurred during the three months quarter ended June 30, 2020	97.83

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.

5. ***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 key assets necessary for our operations such as cargo aircrafts, vehicles and moving equipment, warehouses and manpower are leased from third parties, while a few assets are also owned by us. We cannot assure you that we will continue to receive an uninterrupted supply of these third party assets 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 be 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.

6. *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 ₹3,500 lakhs. As on June 30, 2021, we have outstanding secured loans aggregating to ₹ 4,204 lakhs. As on date we have not identified the 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.

7. *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, 2021 and the quarter ended June 30, 2021, our top ten customers contributed 10,816 lakhs and 2,519 lakhs, respectively and our top five customers contributed 8,202 lakhs and 1,735 lakhs and, respectively 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 terms 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.

8. *We depend on our intermediaries such as cargo carriers, 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 42.07% and 43.86% towards our operating expenses incurred in the FY ended March 31, 2021 and three months ended June 30, 2021 respectively.

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.

9. *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.

10. 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.

11. 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 lakhs, which was 35.94% of the total revenue from operations. In FY 2019 the surface transport business contributed ₹ 12,564.70 lakhs, which was 28.06% of the total revenue from operations and for FY 2020 the amount was ₹ 2,947.21 lakhs, which was 8.48% of the total revenue from operations. Further for the FY 2021, contribution for surface transport business was only at ₹ 307.20 lakhs constituting 1.45% of the

total revenue from operations for FY 2021. 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.

12. 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.

13. We are susceptible to risks relating to compliance with labour 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 labourers 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 adversely affect 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.

- 14. Our Company has leased/ licensed various properties, agreements for some of which have expired. Our Company is in the process of renewing such agreements. If our Company is unable to renew these agreements, it may have an adverse impact on our business.***

We carry out our business from various locations, few of which have been leased/ licensed. The term of certain agreements has expired and our Company is in the process of renewing such agreements. The Company may not be able to negotiate favourable terms or the lessor/ licensee may not wish to renew the agreement. In such an event the Company would be forced to vacate the property and find another property. This could have an adverse impact on the operations of the Company which would in turn impact the business of the Company.

- 15. 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.

- 16. 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 146 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.

17. *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 counter party 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, 2021, 2020 and 2019 our trade receivables were ₹7,190.88 lakhs, ₹ 8,875.68 lakhs and ₹ 9,936.73 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 has directly/ 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, 2021, 2020 and 2019 we have written off bad debts to the tune of ₹ 1,228.39 lakhs, 1,157.51 lakhs and ₹64.08 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.

- 18. 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:

Particulars	(₹ in lakhs)	
	March 31, 2021	March 31, 2020
Net Cash Flow from/(used in) Operating Activities	454.61	(1,776.75)
Net cash generated from/(used in) investing activities	425.58	4,010.61
Net Cash Flow from/(used in) Financing Activities	311.88	(1,751.16)

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.

- 19. 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 the 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.

- 20. 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 81 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.

21. 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.

22. 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 81 of this Draft Letter of Offer. 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.

23. *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 subcontractors 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.

24. *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 146 of this Draft Letter of Offer. 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.

25. *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.

26. *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.

27. *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-compliance/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. We have however, been in compliance with the SEBI Listing Regulations for the past 12 months and therefore, this Draft Letter of Offer is prepared and submitted in terms of Part B of Schedule VI to the SEBI ICDR Regulations.

28. *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.

29. *Our Company does not have any documentary evidence for the educational qualifications and experience of some of our Directors.*

Our Independent Director, Farukh Soli Wadia and Additional (Non-Executive) Director, Jasmin Dinshaw Lalla are unable to trace their educational qualifications. Due to lack of documents and relevant information from the aforementioned Directors, we have relied on affidavits provided to us or have not mentioned the relevant details in their biographies 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 88 of this Draft Letter of Offer.

30. *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.

31. *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.

32. *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 79 of this Draft Letter of Offer.

33. *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.

34. *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 “*Audited Financial Information- Annexure V- Notes to Audited Financial Statements- Note 40 - Related Party Disclosures*” on page 125 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.

35. *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, the collective shareholding of our Promoter and the members of the Promoter may increase, 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.

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

As of March 31, 2021, our contingent liabilities and commitments (to the extent not provided for) as disclosed in the notes to our Audited Financial Information aggregated to ₹ 1,200.28 lakhs. The details of our contingent liabilities are as follows:

Particulars	(₹ in lakhs)
Estimated amount of contracts remaining to be executed on capital expenditure and not provided	58.21
Counter guarantees given to Banks against credit facilities	516.15
Claims against the Company not acknowledged as debts	625.92
Total	1,200.28

For further details of contingent liability, see the section titled — “*Financial Information*” on page 92 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.

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

As of March 31, 2021, 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 Fiscal ended March 31, 2021. For further details, please refer to the chapter titled — “*Audited Financial Information- Annexure V- Notes to Audited Financial Statements- Note 40 -Related Party Disclosures*” at page 125.

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.

38. *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, 2021, our Company’s total fund-based indebtedness is ₹ 5,240.74 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.

39. *Our Company has taken certain unsecured loans from financial institutions and public deposits, which may*

be recalled at any time.

As on June 30, 2021, our Company has outstanding unsecured loans aggregating to ₹ 1,036.34 lakhs, which have been extended by public depositors and financial institutions and may be recalled by them at any time. In the event, any of such lenders/depositors 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.

- 40. *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.

- 41. *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 88 of this Draft Letter of Offer.

- 42. *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.

43. *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.

44. *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.

45. *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.

46. *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 82 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. For further details, please refer to the chapter titled — “*Objects of the Issue*” on page 61 of this Draft Letter of Offer.

- 47. *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

- 48. *Our Company will not distribute the Draft 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 this Draft Letter of Offer, the Abridged Draft 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.

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

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020, May 6, 2020, January 19, 2021 and April 22, 2021, and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see “*Terms of the Issue*” on page 158.

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

- 50. *The R-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, January 19, 2021 and April 22, 2021, a separate web based application platform, i.e., the R-WAP facility (accessible at www.bigshareonline.com), has been instituted for making an Application in this Issue by Original Resident Shareholders. Further, R-WAP is only an additional option and not a replacement of the ASBA process. On R-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 158. 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, R-WAP is a new facility which has been instituted due to challenges arising out of COVID-19 pandemic. We cannot assure you that R-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 R-WAP is different from the ASBA process, there can be no assurance that investors will not find difficulties in accessing and using the R-WAP facility.

51. 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).

52. 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.

53. 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.

54. *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.

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

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock 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 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.

56. *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.

57. *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.

58. *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.

59. *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

60. *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.

61. *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 audited summary statements of assets and liabilities as at March 31, 2021 and audited summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the Fiscal 2021 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, 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 Audited 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.

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

The Indian economy is influenced by economic developments in other countries. These factors could depress economic activity which could have an adverse effect on our business, financial condition and results of operations. Any financial disruption could have an adverse effect on our business and future financial performance.

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.

63. *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;
- 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.

64. *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 2019 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.

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

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

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

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

There are concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented 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.

66. *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.

67. *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.

68. *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.

69. *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.

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

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

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

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

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

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;
- 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.

72. 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 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 August 11, 2021 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 158 of this Draft Letter of Offer.

Particulars	Details of Equity Shares
Equity Shares proposed to be issued	Upto [●] Equity Shares
Rights Entitlement	Upto [●] ([●]) Rights Equity Share(s) for every [●] ([●]) fully paid-up Equity Share(s) held on the Record Date i.e. [●].
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 ₹ [●] per Rights Equity Share up to an amount of ₹ 4,000 lakhs.
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.
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	2,60,35,923 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)	Upto [●] Equity Shares
Money payable at the time of Application	₹ [●]
Scrip 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 158 of this Draft Letter of Offer.

Please refer to the chapter titled “*Terms of the Issue*” on page 158 of this Draft Letter of Offer.

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
Hari Venugopal Nair	54	Managing Director	A-401, Silverarch Spring CHSL, Ceaser Road, Amboli, Andheri (West), Mumbai – 400 058, Maharashtra, India.	02362137
Jasmin Dinshaw Lalla	50	Executive Director	Flat Number 702, Varun Apartment, Dr. Ambedkar Road, Parel (East), Mumbai – 400 012, Maharashtra, India.	00074858
Farukh Soli Wadia	56	Independent Director	3/6 Rustom Baug, Sant Savta Marg, Byculla, Mumbai – 400 027, Maharashtra, India.	00097162
Jasmine Divyesh Mehta	53	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
Mahesh Fogla	50	Non - Executive Director	A-602, Galaxy Classique, ABCD CHSL, Mitha Nagar, M.G Road, Opp Rajiv Gandhi Udyaan, Goregaon (West), Mumbai 400 104, Maharashtra, India.	05157688

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, is the 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

[●]

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 R-WAP.

Expert

Our Company has received a written consent from our Statutory Auditors, Hitesh Shah & Associates, Chartered Accountants, to include their name in this Draft Letter of Offer and other issue related documents as an “expert”, as defined under Section 2(38) of the Companies Act 2013, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of their report on the Audited Financial Statements, and the statement of tax benefits dated September 21, 2021, included in this Draft Letter of Offer, and such consent has not been withdrawn as of the date of this Draft Letter of Offer. However, the term “expert” shall not be construed to mean an “expert” as defined under the Securities Act, 1933.

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 Regulation 82 of the SEBI ICDR Regulations, a monitoring agency is not required to be appointed by our Company.

Appraising Entity

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

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 to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with the Stock Exchanges and not with SEBI. However, the Letter of Offer will be submitted to 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.

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	[●]

The above schedule is indicative and does not constitute any obligation on our Company

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two (2) Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●].

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Neither our Company nor the Registrar to the Issue will be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. Further, it is also encouraged that the applications are submitted well in advance before Issue Closing Date, due to prevailing COVID-19 related conditions. For details on submitting Application Forms, see “Terms of the Issue” beginning on page 158.

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

Minimum Subscription

In accordance with Regulation 86(1) of the SEBI ICDR Regulations, our Company is not required to achieve minimum subscription for the Rights Issue on account of the following reason:

1. Objects of the Rights Issue are for a purpose which is other than financing a capital expenditure for a project; and
2. Our Promoter and Promoter Group have confirmed *vide* their letter dated September 8, 2021, their intention to subscribe to their rights entitlement, and will not renounce rights except to the extent of renunciation within the promoter group.

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:

		<i>Amount (in ₹ Lakhs, except share data)</i>	
S. No.	Particulars	Aggregate value at nominal value	Aggregate value at Issue Price
A.	Authorised Share Capital[#]		
	7,00,00,000 Equity Shares of face value of ₹ 10 each	7,000.00	
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	2,60,35,923 Equity Shares of face value of ₹ 10 each	2,603.59	
C.	Present Issue in terms of this Draft Letter of Offer⁽¹⁾		
	Up to [●] Equity Shares of ₹ 10/- each	[●]	[●]
D.	Issued Capital after the Issue⁽²⁾		
	[●] Equity Shares of face value of ₹10 each	[●]	
E.	Subscribed and Paid-Up Share Capital after the Issue⁽³⁾		
	[●] fully paid-up Equity Shares	[●]	
	[●] partly paid-up Equity Shares	[●]	
F.	Securities Premium Account		
	Before the Issue	3,872.37	
	After all the Calls are made in respect of Rights Equity Shares ⁽⁴⁾	[●]*	

⁽¹⁾The present Issue has been authorised by the Board of Directors vide a resolution passed at its meeting held on August 11, 2021 pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act, 2013.

⁽²⁾Assuming full subscription to the Rights Entitlements and Allotment of the Rights Equity Shares. Please note that the Payment Schedule and the right to call up the remaining paid-up capital on first and final call will be as determined by our Board at its sole discretion.

⁽³⁾On Application, Investors will have to pay ₹ [●] per Rights Equity Share which constitutes 25% of the Issue Price and the balance ₹ [●] per Rights Equity Share which constitutes 75% of the Issue Price, will have to be paid, First and Final Call, as determined by our Board at its sole discretion.

⁽⁴⁾Subject to finalisation of Basis of Allotment, Allotment and deduction of Issue Expenses

*Subject to finalisation of Basis of Allotment, Allotment and deduction of Issue expenses.

NOTES TO CAPITAL STRUCTURE

1. Details of outstanding instruments as on the date of this Draft Letter of Offer:

There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Letter of Offer. Further, our Company does not have any employee stock option scheme or employee stock purchase scheme.

2. Except as disclosed under the heading titled “Statement showing holding of Equity Shares of the Promoters and Promoter Group including details of lock-in, pledge of and encumbrance thereon, as on June 30, 2021” <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=526381&qtrid=110.00&QtrName=June%202021> and the NSE at https://www1.nseindia.com/corporates/corporateHome.html?id=spatterns&radio_btn=company¶m=PATINTLOG&, no Equity Shares held by our Promoters or Promoter Group have been locked-in, pledged or encumbered as of the date of this Draft Letter of Offer.
3. Except as mentioned below, our Promoters and Promoter Group have not acquired any Equity Shares in the last one (1) year immediately preceding the date of filing of this Draft Letter of Offer.

Sr. No.	Name of Shareholder	No. of Equity Shares acquired	Mode of Acquisition	Date of Acquisition
1.	Asgar Patel	18,59,198	Rights Issue	March 26, 2021
2.	Yasmin Asgar Patel	4,12,472	Rights Issue	March 26, 2021
3.	Natasha Rajesh Pillai	3,22,199	Rights Issue	March 26, 2021
4.	Patel Holdings Limited	20,00,000	Rights Issue	March 26, 2021
5.	Wall Street Securities and Investments India Limited	3,85,855	Rights Issue	March 26, 2021
6.	Mr. A.S. Patel & Mrs. Y.A. Patel as Trustees of A.S. Patel Trust	4,29,433	Rights Issue	March 26, 2021
7.	Joseph Varghese	4,59,729	On - Market	March 30, 2021

4. 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 acquisition of Rights Equity Shares by our Promoters and our Promoter Group, over and above its Rights Entitlements shall not result in a change of control of the management of our Company and shall be in compliance with the SEBI SAST Regulations. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under the Applicable Law.

5. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the Takeover Regulations is [●] /- per equity share.
6. At any given time, there shall be only one denomination of the Equity Shares of our Company.
7. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer. The Rights Equity Shares, when issued shall be partly paid up. For details on the terms of this Issue, see “Terms of the Issue” on page 158.
- 8. Shareholding pattern of our Company as per the last quarterly filing with the Stock Exchange in compliance with the SEBI Listing Regulations:**

- (i) The shareholding pattern of our Company as on June 30, 2021, can be accessed on the website of the BSE at <https://www.bseindia.com/stock-share-price/patel-integrated-logistics-ltd/patintlog/526381/shareholding-pattern/> and the NSE at https://www1.nseindia.com/corporates/corporateHome.html?id=spatterns&radio_btn=company¶m=PATINTLOG&
- (ii) Statement showing holding of Equity Shares of the Promoters and Promoter Group including details of lock-in, pledge of and encumbrance thereon, as on June 30, 2021 can be accessed on the website of the BSE at <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=526381&qtrid=110.00&QtrName=June%202021> and the NSE at https://www1.nseindia.com/corporates/corporateHome.html?id=spatterns&radio_btn=company¶m=PATINTLOG&
- (iii) Statement showing holding of Equity Shares of persons belonging to the category “Public” including shareholders holding more than 1% of the total number of Equity Shares as on June 30, 2021 can be accessed on the website of the BSE at <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=526381&qtrid=110.00&QtrName=June%202021> and the NSE at https://www1.nseindia.com/corporates/corporateHome.html?id=spatterns&radio_btn=company¶m=PATINTLOG&

9. 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

The details of shareholders of our Company holding more than 1% of the issued, subscribed and paid -up Equity Share capital of our Company, as on June 30, 2021 can be accessed on the website of the BSE at <https://www.bseindia.com/stock-share-price/patel-integrated-logistics-ltd/patintlog/526381/shareholding-pattern/> and the NSE at https://www1.nseindia.com/corporates/corporateHome.html?id=spatterns&radio_btn=company¶m=PATINTLOG&

10. 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.

The details of shares locked-in, pledged, encumbered by Promoter and Promoter Group can be accessed on the website of the BSE at <https://www.bseindia.com/stock-share-price/patel-integrated-logistics-ltd/patintlog/526381/disclosures-consolidated-pledge-data/> and the NSE at https://www1.nseindia.com/corporates/corporateHome.html?id=spatterns&radio_btn=company¶m=PATINTLOG&

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:

<i>(₹ in lakhs)</i>	
Particulars	Amount
Gross Proceeds from this Issue [^]	4,000.00
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:

<i>(₹ in lakhs)</i>	
Particulars	Amount
Repayment and/or prepayment of a portion of the principal and/or interest of certain borrowings availed by our Company	3,500
General Corporate Purposes	[●]
Total Net proceeds	[●]

The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds

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 ₹ 3,500 lakhs 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.

(₹ lakhs)				
Sr. No	Name of the lender	Nature of borrowing	Purpose of loan [^]	Amount outstanding as on June 30, 2021
1.	HDFC Bank Limited	Cash Credit	Working Capital	819.72
2.	Citizen Cooperative Bank	Cash Credit	Working Capital	1,237.73
3.	DCB Bank Limited	Cash Credit	Working Capital	653.34
4.	The Saraswat Co-operative Bank Limited	Loan against property	Secured Term Loan	857.30
5.	PNB Housing Finance Limited	Loan against property	Secured Term Loan	235.77
6.	Dewan Housing Finance Corporation Limited	Term Loan	Property Loan	231.54
7.	Bajaj Finserv Limited	Loan against securities	Working Capital	50.40
8.	ICICI Bank Limited	Credit Card Facility	Working Capital	77.28
9.	Vehicle Loans	Secured loans against mortgage of respective vehicle	Vehicle Loans for business operations of the company	21.99
	- ICICI Bank Ltd			81.11
	- HDFC Bank Ltd			15.89
	- Axis Bank Ltd			
10.	Deposits from public	Unsecured	Working Capital	959.06
	Total			5,240.74

Hitesh Shah & Associates, Chartered Accountants, statutory auditors of our Company, pursuant to their certificate dated September 21, 2021, have confirmed that these borrowings have been utilized for the purposes for which they were availed, as provided in the relevant borrowing documents.

However, given that our Company is raising only 25% of the Gross Proceeds on Application, with the balance is being raised in one* subsequent Call of ₹ [●] each* per Rights Equity Share, pursuant to the Payment Schedule, after receipt of the Application Money, our Company retains the right to utilize the Net Proceeds to repay in full or in part the borrowings identified herein above including any refinancing/roll over undertaken by our Company to repay these borrowings as well as repay any other existing or fresh borrowings taken by our Company in due course.

** Subject to modification as may be approved by our Board from time to time.*

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

Our Company proposes to deploy the entire Net Proceeds towards the objects as described herein during Fiscal 2022 and Fiscal 2023. However, if the Net Proceeds raised in Fiscal 2022 are not completely utilised for the objects stated above by Fiscal 2022 due to various factors beyond our control, such as market conditions, competitive environment, interest or exchange rate fluctuations and including any terms and conditions of our Company's borrowings and other commercial considerations, the same would be utilised (in part or full) in Fiscal 2023. The deployment scheduled in Fiscal 2022 and Fiscal 2023 will be contingent upon Call Monies received. The details in relation to utilization of Net Proceeds of the Issue are set forth herein below, assuming application monies are received and deployed in Fiscal 22, while the balance call money is received and deployed in FY 23. In case the Company decides to receive the call money in Fiscal 22, it shall endeavor to deploy the same within the same Fiscal, subject to factors mentioned above.

As and when our Company makes the Calls for the balance monies with respect to the Rights Equity Shares, our Company shall endeavour to utilize the proceeds raised from such Calls within the same Fiscal as the receipt of the said Call Monies failing which our Company shall utilize the said Call Monies in the subsequent Fiscal.

Particulars	Amount proposed to be funded from Net Proceeds	Proposed schedule for deployment of the Net Proceeds	
		Fiscal 2022	Fiscal 2023
Repayment and/or prepayment of a portion of the principal and/or interest of certain borrowings availed by our Company	3,500.00	875.00	2,625.00
General Corporate Purposes	[●]	[●]	[●]
Total	[●]	[●]	[●]

Estimated Issue related expenses

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

Particulars	Amount* (₹ lakhs)	As a percentage of total expenses*	As a percentage of Issue size*
Fees of the Registrar to the Issue, Legal Advisor, Advisor/Merchant Banker, 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. In the event there is any reduction in the actual Issue Expenses, the residual amount shall be utilized towards General Corporate Purposes.

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 lakhs, 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(3) read with Part C of Schedule II 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
Patel House, 5th floor, Plot No. 48
Gazdarbandh, North Avenue Road
Santacruz (West), Mumbai - 400 054
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, 2020 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
Firm Registration Number: 103716W

CA Hitesh Shah
Partner
Membership Number: 040999

Date: September 21, 2021

UDIN: 21040999AAAAGL9922

Place: Mumbai

ANNEXURE 1

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 2021-22.
- 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.

ANNEXURE 2

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 22 and 79, respectively.

The Global Economy

Global contraction for the year 2020 was at 3.3% (negative growth). As a result of COVID-19 pandemic, the same is projected to grow at 6% in 2021. Also, it is expected that the pandemic will fade in second half of 2021 and containment efforts can be gradually unwound, the global economy is projected to grow on the back of a vaccine powered recovery by 4.4% in 2022, as per The International Monetary Fund, World Economic Outlook April 2021.

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

Particulars	2020	2021P	2022P
World	-3.3	6.0	4.4
Advanced Economies	-4.7	5.1	3.6
United States	-3.5	6.4	3.5
Euro Area	-6.6	4.4	3.8
Japan	-4.8	3.3	2.5
United Kingdom	-9.9	5.3	5.1
Canada	-5.4	5.0	4.7
Other Advanced Economies*	-2.1	4.4	3.4
Emerging market and developing economies (EMDEs)	-2.2	6.7	5.0
Emerging and Developing Asia	-1.0	8.6	6.0
China	2.3	8.4	5.6
India**	-8.0	12.5	6.9
ASEAN-5***	-3.4	4.9	6.1
Emerging and Developing Europe	-2.0	4.4	3.9
Latin America and Caribbean	-7.0	4.6	3.1
Middle East and Central Asia	-2.9	3.7	3.8
Sub-Saharan Africa	-1.9	3.4	4.0

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 April 2021 as published by IMF)

Growth in the advanced economy group—as the vulnerable population gets vaccinated, contact intensive activities are expected to resume and drive a significant pickup in recovery—is projected at 5.1 percent in 2021. Most economies in the group are forecast to recover this year, though in varying degrees. 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 2022, the advanced economy growth rate is projected to be 4.8 percent.

Among emerging market and developing economies, vaccine procurement data suggest that effective protection will remain unavailable for the most population in 2021. Recovery profiles shall vary, depending upon based on regional differences in the severity of the pandemic, economic structure and exposure to specific shocks. Overall, the group of emerging market and developing economies is projected to recover at 6.7 percent in 2021. In 2022 the growth rate for emerging market and developing economies is projected to stabilise to 5.0 percent, largely reflecting the forecast for China (5.6 percent).

Emerging Asia is projected to have a sharp recovery rate in 2021 (8.6 percent). The growth in 2022 with projected growth rate of 6.0 percent in emerging Asia depends critically on the pandemic fading in the second half of 2021,

allowing containment efforts to be gradually scaled back and restoring consumer and investor confidence. Several economies in the region are forecast to grow at rapid rates, including India at 6.9 percent.

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.

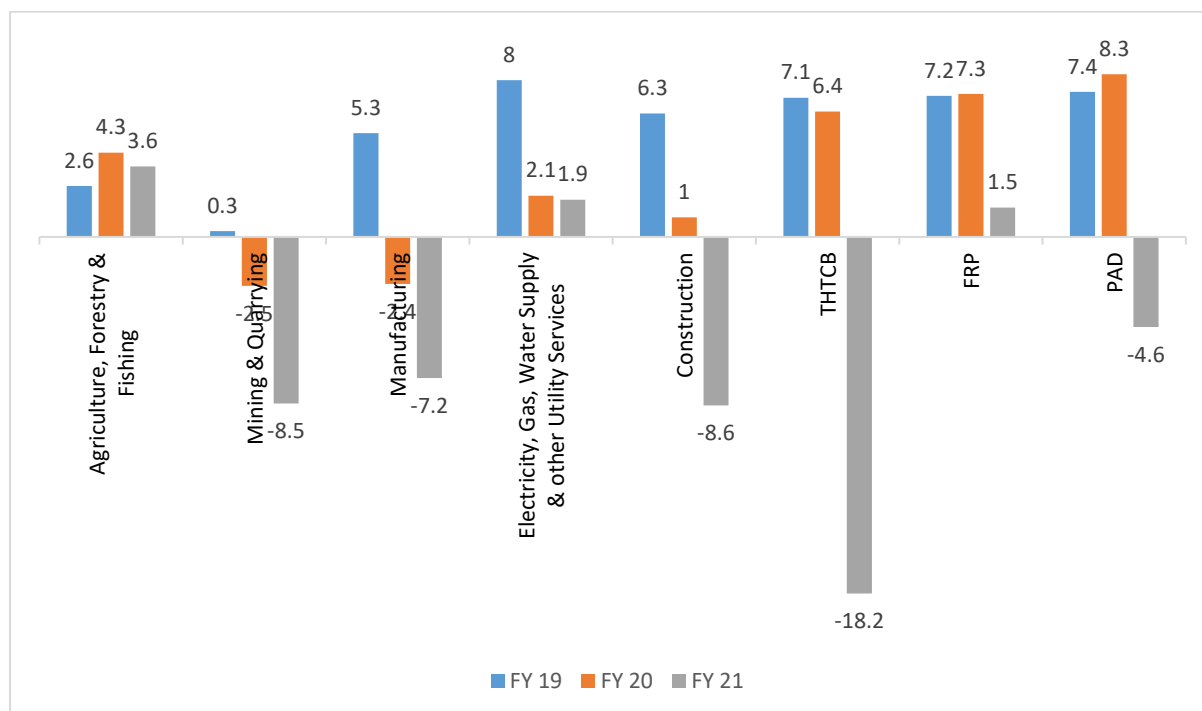
Many central banks have eased monetary, liquidity and regulatory policies to support domestic demand, including through emergency off-cycle meetings. The International Monetary Fund (IMF) and the World Bank Group are making available US\$ 50 billion and US\$ 14 billion, respectively, through various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

The Indian Economy

The annual growth of India for 2021 has been projected to be 12.5 percent as per IMF World Economic Outlook April 2021. However, it is expected to stabilise to 6.9 percent in 2022.

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:

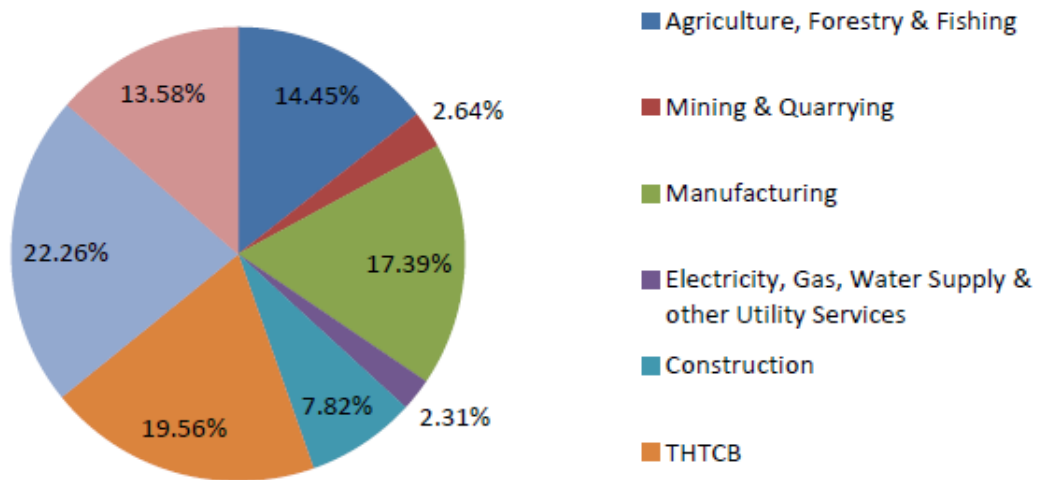
Sectoral Growth of GDP in (%) (At constant FY 11-12 prices)



(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:

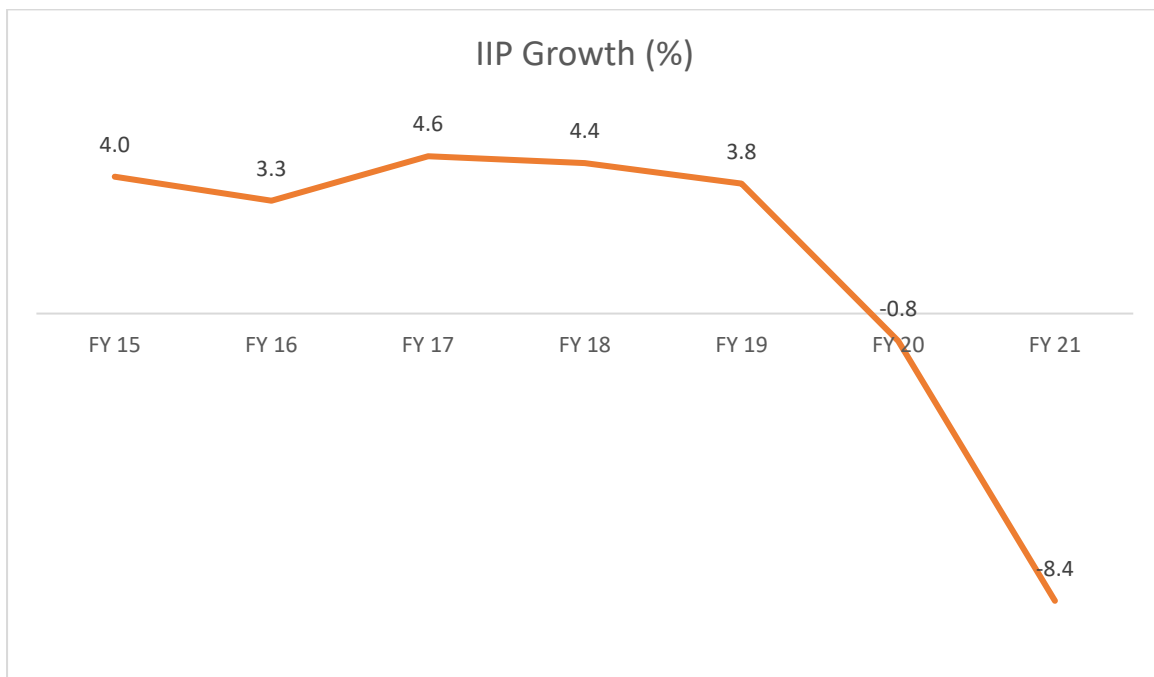
% contribution to GVA at Constant prices (FY 11-12) for FY 19-20



(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.

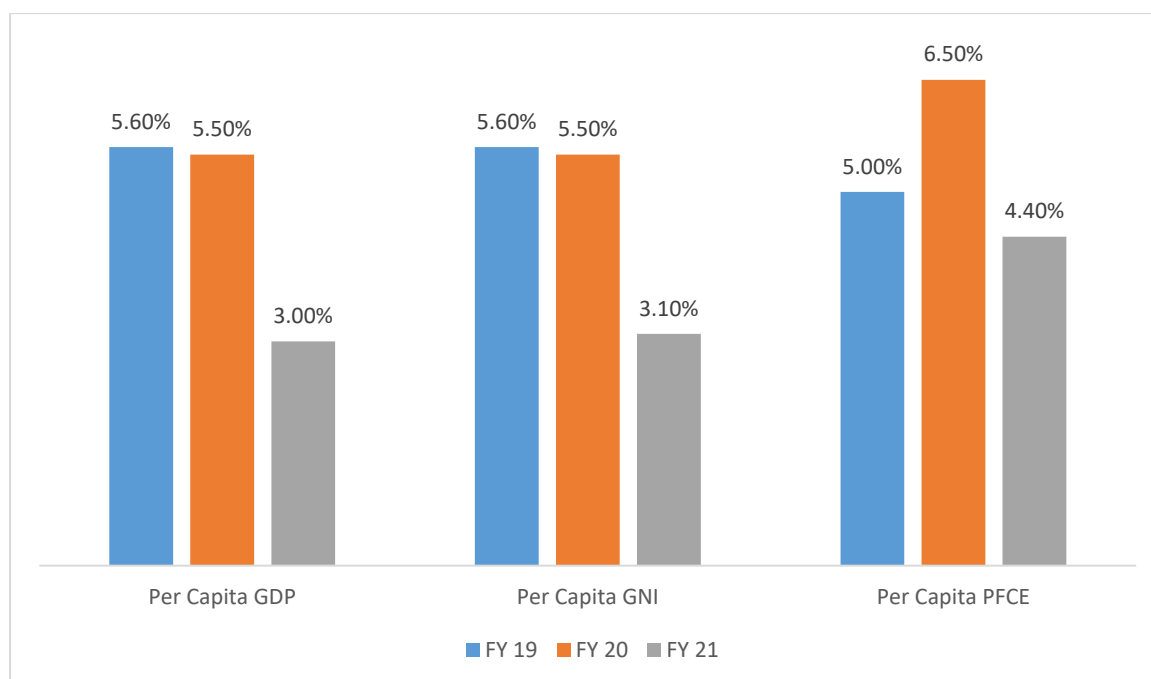
Industrial Growth - The cumulative Index of Industrial Production (IIP) growth during FY 20-21 was at -8.4%.



(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 20-21, growth in per capita GDP, income and private consumption have decreased drastically compared to previous FY 19-20. It may be noted growth of private consumption has sustained as compared to the other parameters in FY 20-21 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 was -8.0 percent in 2020 and “V” shape recovery is projected with 12.5 percent growth in 2021 only to stabilise at a growth rate of 6.9 percent in 2022. 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 2021-22 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.

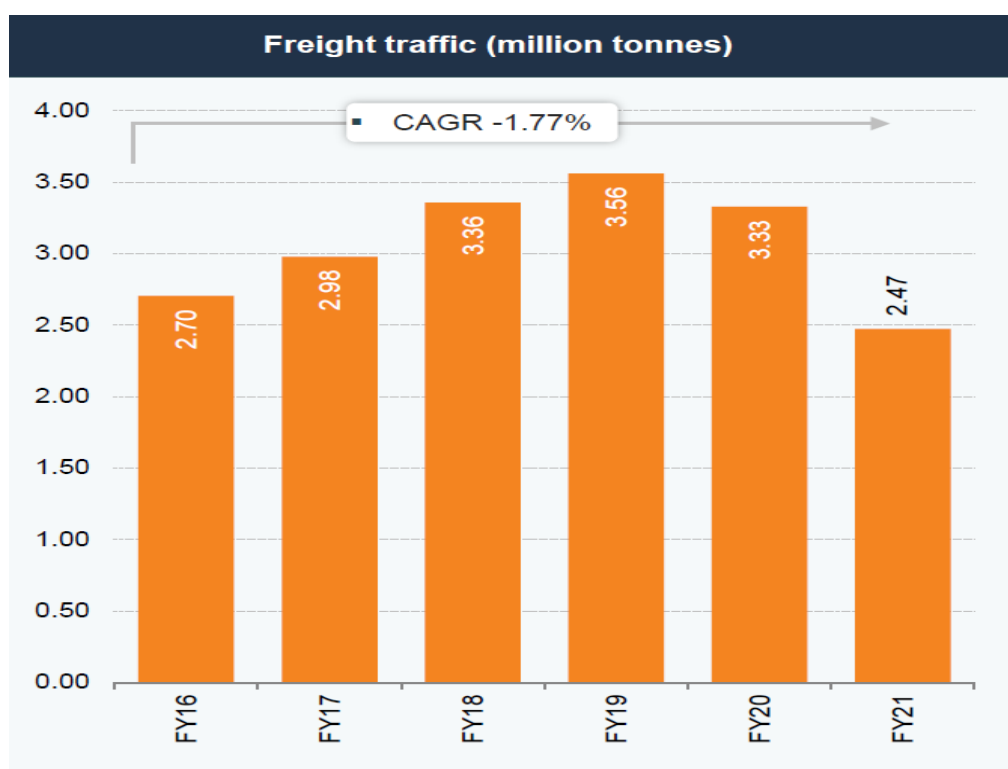
Even with easing of lockdown, revival across sectors would vary significantly and be contingent on how they are able to address the challenges of liquidity, labour, logistics, demand and capacity utilization.

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 rapidly over the past 5 years until it suffered a jolt due to COVID-19 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.

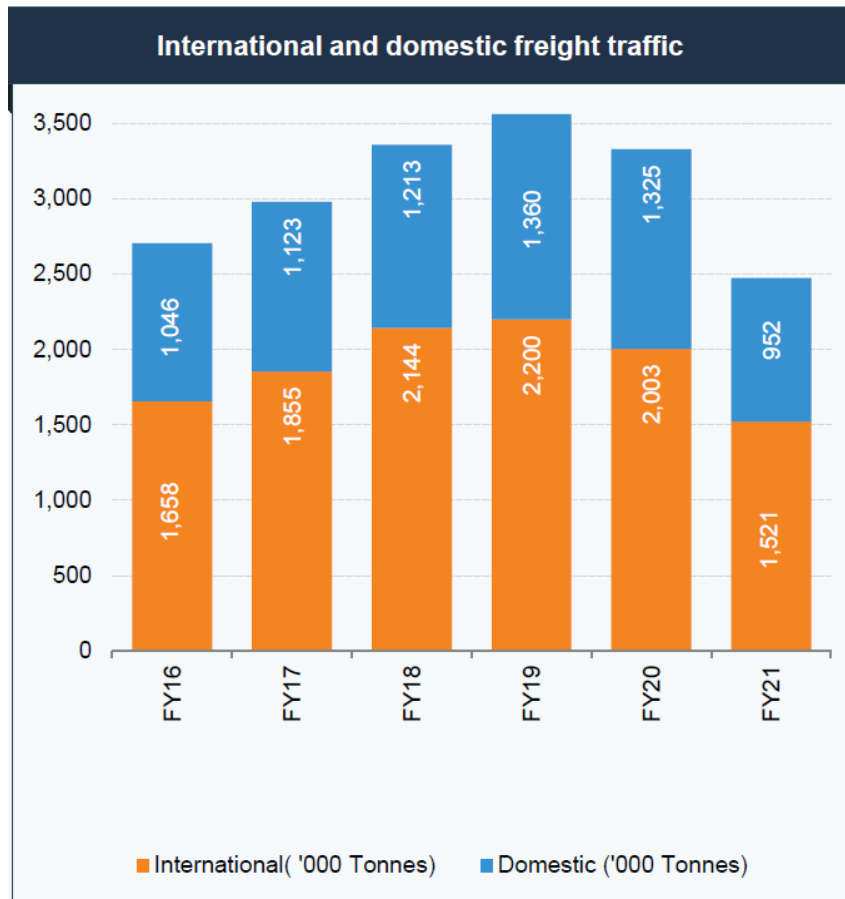


(Source: IBEF Aviation Report – May 2021)

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 and further to 17 million tonnes by 2040, as per Airports Authority of India estimates. 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.

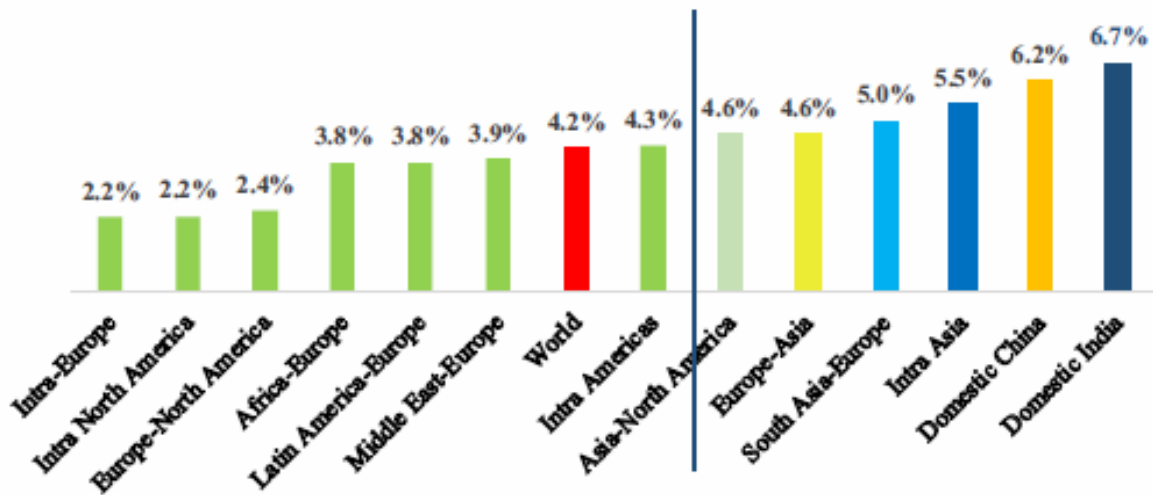
By FY 23, total freight traffic is expected to touch 4.1 million tonnes, exhibiting a CAGR of 7.27 percent between FY 16 and FY 23, keeping in mind the shock received for two consecutive years as a direct impact of worldwide trade halt/slowdown owing to the pandemic. In addition, international freight traffic is expected to grow at a CAGR of 7.13 percent and domestic freight traffic is expected to grow at a CAGR of 7.5 percent during the same period (FY 16 – FY 23).



(Source: IBEF Aviation Report – May 2021)

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 Kilometres (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>

Challenges

Industry-wide cargo capacity declined by 42.0 percent annually in FY 21, stemming from the evaporation of the belly capacity of passenger aircraft. Airlines raised freighters capacity – notably by converting passenger aircraft into freighters – to meet demand.

Though the Freighter operations and Cargo on seat flights have helped to drive the cargo load factor up 11.5 percentage points year-on-year but the high pricing of freighter operations is a deterrent to the growth of the air cargo on freighter.

In spite of the international fuel prices cooling off to all time new low the Indian fuel prices have climbed up the operating costs of the air cargo industry. The ever-increasing cost of fuel is the biggest area of concern as it is reducing profitability.

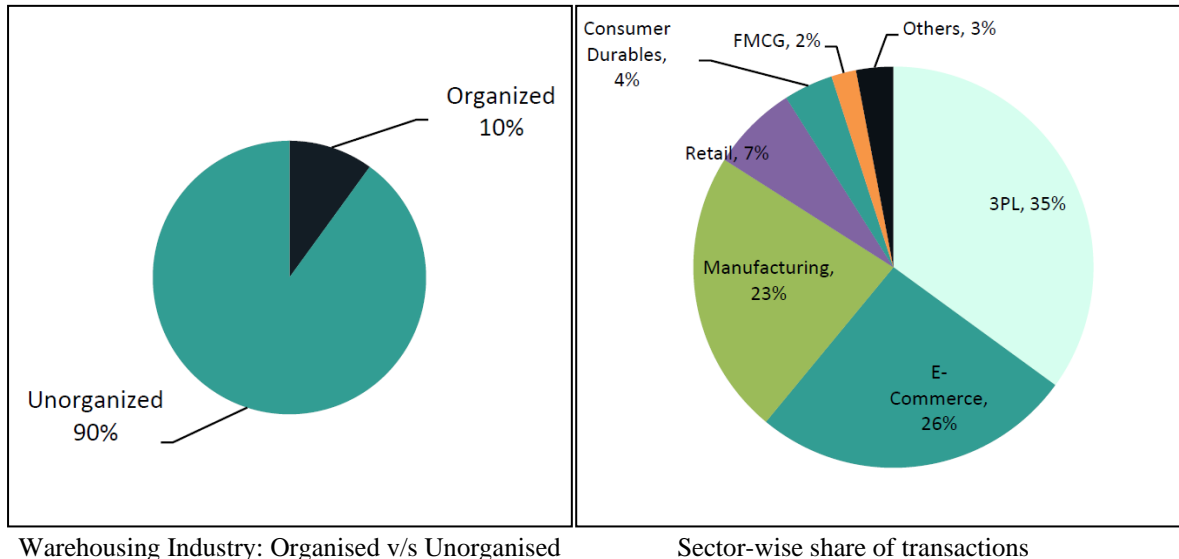
Warehousing Industry

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.

Warehousing constitutes only 15-35% of the total logistics costs but its importance is significant with respect to the role it plays in smooth functioning of supply chain networks.



Source: CARE Ratings Warehousing Industry Report – April 2021

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.
- Adoption of Warehousing Management Systems (WMS) and other IT-driven solutions are becoming effective in increasing competitiveness of the warehousing industry. WMS helps operators to track inventory, orders and provides data about the products stored and can also be transmitted back to the clients.
- Traditional growth driving sectors such as agriculture and manufacturing (textile and auto ancillary) will continue driving the demand in the coming years.
- The warehousing industry has been given infrastructure status and not a real estate status, which gives the sector better lending rates and better lending terms with higher limits. In addition, warehousing industry allows 100% FDI and they can be developed with much fewer government approvals as compared to other segments of real estate.
- 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.
- India is evolving to be an emerging market in the warehousing sector and has attracted significant investments in recent 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>

Challenges

India's logistics industry has been adversely affected by the lower standardization of cargo and containerization of logistics traffic, which has been affecting the overall speed and thus increasing cost of storage and movement.

Indian warehouses are experiencing horizontal development and not a vertical one unlike other commercial spaces. This is problematic because of high land prices, which is amounting to approximately 30% of the project cost. Need for large capital and issues related to land acquisition have too tempered the growth of the sector. However, with expected increase in investment by international players, the gap in funding requirements are expected to be addressed in the near future.

While India's warehousing industry has access to abundant labour it is not properly trained or skilled, and the mechanism to train the staff is not efficient. Further, the capacity is low with modern facilities and is extremely fragmented as well (large share with unorganised players).

Source: CARE Ratings Warehousing Industry Report – April 2021

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 logistics industry is set to boom in the near future as manufacturing shifts out of China as an indirect result of COVID-19.

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 FY21. 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:

- a) 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.
- b) 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.
- c) 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.
- d) 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 percent propelled by rapidly growing e-commerce activity, increasing capacity and improving airline connectivity to smaller cities, according to a research note.
- e) Under Union Budget 2021-22, the Indian government expanded the scope for 'Krishi Udaan' in convergence with Operation Green Scheme, wherein air freight subsidy of 50% for agri-perishables would be provided to North East states and 4 Himalayan states/Union Territories. The expansion of product coverage will boost the 'Krishi Udaan' scheme and improve air cargo transportation from these states.
- f) 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.

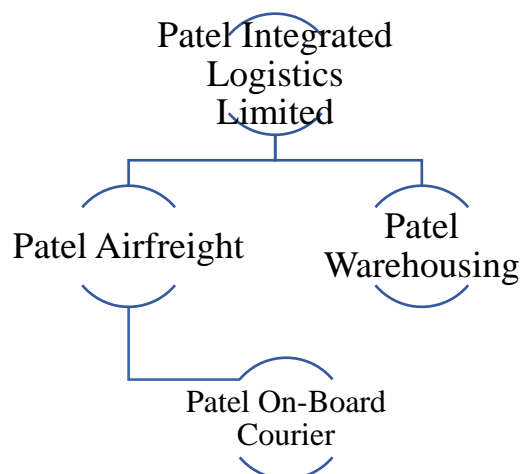
Source: India Warehousing Market Report 2020, Knight Frank; IBEF Aviation Report – May 2021

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 22, 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 92 and 134, 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 Audited 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 bifurcated 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.

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 is 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 approximately 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 financial years is stated below:

Particulars	Quarter ended June 30, 2021		FY 21		FY 20	
	Revenue	%	Revenue	%	Revenue	%
Surface Transport	Nil	Nil	307.20	1.45%	2,947.21	8.48%
Air Freight	5,106.92	100.00%	20,917.73	98.55%	31,771.41	91.45%
Warehousing	Nil	Nil	Nil	Nil	22.30	0.06%
Total Revenue from operations	5,106.92	100.00%	21,224.93	100.00%	34,740.93	100.00%

(In ₹ Lakhs)

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 88 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 approx. 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 endeavour 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 June 30, 2021 we had 288 full time employees. The following table sets forth a bifurcation of the number of our employees as of June 30, 2021:

Sr. No.	Description	No. of Employees
1	Top Management	14
2	Corporate support staff (Accounts, Secretarial, office staff)	57
3	Business staff	179
4	Others	38
	Total	288

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 ₹ 3.00 lakhs towards our CSR initiatives during FY 2021.

Insurance

We maintain 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.; portable equipment insurance policy insures laptops and air conditioners from electrical or mechanical breakdown; money 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

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
5.	Unit No 611, Avenue Shelter, Marol, Andheri East, Mumbai – 400060 (POBC Division), Area: 604	Given on lease

Sr. No.	Particulars of the Property	Usage
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, Singapura Village, Bangaluru -560097 (Non POBC Division), Area: 910	Given on lease
32.	Jupiter Landmark, Apartment no. E3-002, Landmark Dreamz, Singapura Village, Bangaluru -560097 (Non POBC Division), Area: 910	Given on lease
33.	Jupiter Landmark, Apartment no. E1-003, Landmark Dreamz, Singapura Village, Bangaluru -560097 (Non POBC Division), Area: 910	Given on lease
34.	Jupiter Landmark, Apartment no. E4-201, Landmark Dreamz, Singapura Village, Bangaluru -560097 (Non POBC Division), Area: 910	Given on lease
35.	Jupiter Landmark, Apartment no. E4-304, Landmark Dreamz, Singapura 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, Iccchapuram, AP (Non POBC Division), Area: 435	Not presently in use
38.	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, 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, 2021 between Agro Gold Chemicals India Limited Liability Partnership- 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 ₹ 1,64,926/- per month	A period of 1 years commencing from April 01, 2021	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: 2012 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 (Registration of renewal agreement is under process)	Used for Business

Sr. no.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
5.	Rental Agreement executed on August 14, 2021 between Mr. Hitesh Ramachandani and others (“Landlord”) and our Company (“Tenant”).	E-107, Shree Ghantakaran Mahavir Commecial 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, 2021	Used for Business
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 (Registration of renewal agreement is under process)	Used for Business
10.	Lease Agreement executed on December 01, 2019 between Neelam Shourie (“Landlord”) and our Company (“Tenant”) (with effect from December 01, 2021).	Shop Number 40, Shankar Market, Near Super Bazar, opposite Mayur Bhavan, Cannaught Place, New Delhi- 110 037, India.	Rent of ₹10,000 per month.	A period of 11 months commencing from December 01, 2020 till October 31, 2021	Used for Business
11.	Rental Agreement executed February 27, 2021 between Mr. 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 11 months commencing from February 15, 2021	Used for Business
12.	Rental Agreement executed on July 13, 2021 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 ₹4,991/- per month	A period of 11 months commencing from May 2021	Used for Business

Sr. no.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
13.	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
14.	Rental Agreement executed on November 05, 2020 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 (Registration of renewal agreement is under process)	Used for Business
15.	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
16.	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 Bangaluru -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 (Registration of renewal agreement is under process)	Used for Business
17.	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), Bangaluru - 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
18.	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, Debaspet, Neelamangala Taluka , Bangaluru, 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, two (02) Executive Directors, (01) Non-Executive Director and three (03) are Independent Directors. We have two women directors.

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
Hari Venugopal Nair DIN: 02362137 Date of Birth: May 10, 1967 Designation: Managing Director Address: A-401, Silverarch Spring CHSL, Ceaser Road, Amboli, Andheri (West), Mumbai – 400 058, Maharashtra, India. Occupation: Professional Term: For a period of one (01) year w.e.f. February 12, 2021 Nationality: Indian	54	Nil
Jasmin Dinshaw Lalla DIN: 00074858 Date of Birth: August 05, 1971 Designation: Executive Director Address: Flat Number 702, Varun Apartment, Dr. Ambedkar Road, Parel (East), Mumbai – 400 012, Maharashtra, India. Occupation: Professional Term: Appointed w.e.f. February 11, 2021. Liable to retire by rotation Nationality: Indian	50	Nil
Mahesh Fogla DIN: 05157688 Date of Birth: August 21, 1971 Designation: Non Executive Director Address: C – 401, Galaxy Classique, Mitha Nagar, Goregoan (West), Mumbai – 400 104, Maharashtra, India. Occupation: Professional	50	i. India Home Loan Limited

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p>Term: Appointed w.e.f. July 07, 2021. Liable to retire by rotation</p> <p>Nationality: Indian</p>		
<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> <p>Nationality: Indian</p>	56	Nil
<p>Jasmine Divyesh Mehta</p> <p>DIN: 05220159</p> <p>Date of Birth: June 13, 1968</p> <p>Designation: Independent Director</p> <p>Address: 8 Rishi Dayanand Society, Next to Hanuman Mandir, Dadabhai Cross Road No. 3, Vile Parle (West), Mumbai – 400 056, Maharashtra, India.</p> <p>Occupation: Professional</p> <p>Term: For a period of one (01) year w.e.f. December 03, 2020</p> <p>Nationality: Indian</p>	53	i. P.B. Engineering Works Private Limited ii. Patel Holdings Limited
<p>Ramakant Krishnajirao Kadam</p> <p>DIN: 03575629</p> <p>Date of Birth: October 09, 1957</p> <p>Designation: Independent Director</p> <p>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.</p> <p>Occupation: Business</p> <p>Term: For a period of three (03) years from June 30, 2021</p> <p>Nationality: Indian</p>	63	i. Patel Holdings Limited

Confirmations

1. None of our Directors is or was a director of any listed company during the last five years preceding the date

of filing of this Draft Letter of Offer, whose shares have been or were suspended from being traded on any of the stock exchanges during the term of the directorship in such Company.

2. None of our directors is or was a director of any listed Company which has been or was delisted from any stock exchange, during the term of their directorship in such Company, in the last ten years immediately preceding the date of filing of this Draft Letter of Offer.

Our Key Managerial Personnel

In addition to our Managing 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 60 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.

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 member 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.

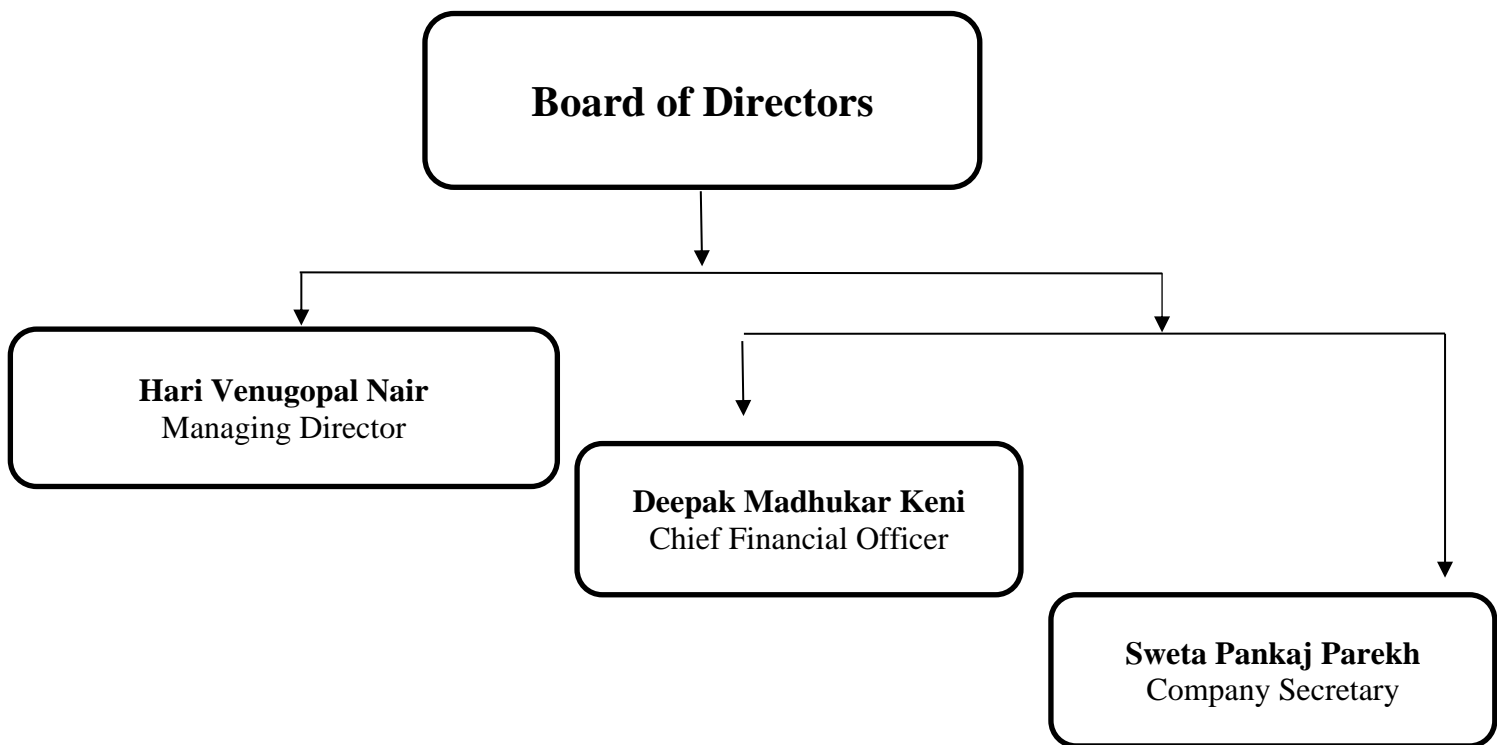
All our Key Managerial Personnel are permanent employees of our Company.

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.

Management Organization Structure

Set forth is the organization structure of our Company:



SECTION V – FINANCIAL INFORMATION

AUDITED FINANCIAL INFORMATION

S. No.	Details	Page Number
1.	Independent Auditor's Report	93
2.	Independent Auditor's Review Report	127
3.	Unaudited Financial Results for quarter ended June 30, 2021	128
4.	Statement of Accounting Ratios	130
5.	Capitalization Statement	132
6.	Statement of Material Developments after March 31, 2021	133

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INDEPENDENT AUDITOR'S REPORT

To,

The Members of

Patel Integrated Logistics Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS Financial Statements of Patel Integrated Logistics Limited ("the Company"), which comprise the Balance Sheet as on March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements")

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis of opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the "Code of Ethics" issued by the Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Emphasis of Matters

Attention is drawn to Note No.46 to the Standalone financials results, which describes that the extent to which the COVID-19 Pandemic will impact the Company's results in next financial year will depend on future developments, which are highly uncertain. Further we wish to highlight that due to the COVID-19 induced restrictions on physical movement and strict timelines, the entire audit team could not visit the offices / various branches of the Company for undertaking the required audit procedures as prescribed under ICAI issued Standards on Auditing, including but not limited to Inspection, examination and verification of the original documents of invoices, legal agreements, bank accounts statements / loan accounts statements and files. Participation in the year end activity of physical verification of Cash and Property, Plant and Equipment carried on by the management as on March 31, 2021, however we have performed alternate audit procedures / reconciliation of such items to obtain sufficient appropriate audit evidence about existence of Cash and Property, Plant and Equipment as at the year end.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

a) Revenue Recognition

The Company enters into contracts with customers for the provision of services. Revenue from these contracts is recognized in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers (as described in note 1B(i) of the stand-alone Ind AS financial statements)

Auditors' Responses

Principal Audit Procedures

- Assessing the Company's revenue recognition accounting policies in accordance with Ind AS 115, Revenue from Contracts with Customers.
- We obtained an understanding of management's internal controls over the revenue process and evaluated whether these have been designed in line with the Company's accounting policies
- We tested relevant internal controls for revenue recognition.
- We performed test of details for the selected sample of revenue transactions during the year and traced these to underlying supporting documentation / evidence.

b) Evaluation of disputed claims against the company under various non-tax matters

The company has disputed claims against it which are pending at various courts/forums and are various stages in the judicial process. The management has exercised significant judgement in assessing the possible outflow in such matters and accordingly an amount of Rs.6,25,92,675/- has been disclosed in Note 34, for which the company is contingently liable while possibility of any outflow in these matters has been considered remote.

Auditors' Responses

Principal Audit Procedures

- Read and analysed key correspondences, internal/external legal opinions/consultations by management for key disputed non-tax matters.
- Reviewed and verified other legal pronouncements wherever available in similar matters in the case of the company/ other corporates
- Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the provisions; and
- Assessed management's estimate of the possible outcome of the disputed cases and relied on the management judgements in such cases.

Information other than the Standalone Financials Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The Other information is expected to be made available to us after the date of this Auditors' report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) referred specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143 (3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, the statement of Profit and Loss including Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Standalone Ind AS Financial Statement comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015;
 - e) On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”; and
 - g) In our Opinion, the managerial remuneration for the year ended March 31, 2021 has been paid/provided by the company to its directors in accordance with the provision of section 197 read with Schedule V to the Act.
 - h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements – Refer Note 34 to the Standalone Financial Statements.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Hitesh Shah & Associates.
Chartered Accountants
FRN 103716W

Hitesh Shah
Partner
MNO: 040999

Place: Mumbai,
Date: May 26, 2021
UDIN : 21040999AAAADX2578

“ANNEXURE A” FORMING A PART OF INDEPENDENT AUDITOR’S REPORT

The Annexure referred to in Independent Auditor’s Report to the members of the Company on the Standalone Ind AS Financial Statements for the year ended March 31, 2021, we report that:

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant and Equipment (fixed assets).
 - (b) The company has a regular program for physical verification of its fixed assets by which its fixed assets are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets. However, there were certain fixed assets which were not verified during the year as planned due to outbreak of COVID-19 pandemic. As represented by the management, these will be covered for verification in the subsequent period. According to the information and explanations given to us, no material discrepancies were noticed on verification of the fixed assets.
 - (c) According to the information and explanations given to us and the records examined by us and based on the examination of registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and building owned by the company are held in its name. However some of the immovable properties are mortgaged against the bank loan. In respect of immovable properties of land that have been taken on lease and disclosed as property in the Standalone Ind AS Financial Statements, the lease agreements are in the name of the company, where the company is lessee in the agreement.
- ii) In view of there being no requirement to carry and hold any stock of inventories, therefore the provisions of clause (ii) of the order is not applicable to the company.
 - iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained u/s 189 of the Act, therefore, the provision of sub - clause (a), (b) and (c) of the Order is not applicable to the Company.
 - iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Act, with respect to loans and investments made.
 - v) The Company has complied with the provisions of Sections 73 to 76 of the Act, and the companies (Acceptance of Deposits) Amendment Rules, 2015 with regards to the deposits accepted from public. According to the information and explanation given to us, no order under the aforesaid sections has been passed by the company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal against the Company.
 - vi) The Central Government has not prescribed the maintenance of cost records under sub- section (1) of section 148 of the Act for any of the activities of the Company.
 - vii) According to the information and explanations given to us and on the basis of our examinations of the books of accounts and records of the Company, amount deducted/accrued in the books of accounts in respect of undisputed statutory dues including Provident Fund, Income Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for the period more than six months from the date they become payable.
According to the information and explanations given to us, there are no material dues of customs, income tax, duty of excise, Goods and service tax which have not been deposited with appropriate authorities on account of any dispute.
 - viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loan to a financial institutions, banks and Government and dues to debenture holders.
 - ix) Based upon the audit procedures performed and according to the information and explanations given to us, monies has been raised by way of right issue. The proceeds from the Right Issue has been credited to Company’s accounts on March 28, 2021 and hence same have not yet been utilized except for paying out Right Issue related expenses only.
 - x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

- xi) According to the information and explanations given to us and based on our examination of the records of the Company, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Therefore, this clause of the Order is not applicable to the Company.
- xiii) According to the information and explanations given to us and based on our examination of records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us and based on our examination of records of the Company, the Company has not made any preferential allotment by conversion of share warrants into equity shares or private placement of shares or fully or partly convertible debentures during the year under review.
- xv) According to the information and explanations given to us and based on our examination of records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, this clause of the Order is not applicable to the Company.
- xvi) In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45 – IA of Reserve Bank of India Act, 1934. Therefore, this clause of the Order is not applicable to the Company.

For Hitesh Shah & Associates.
Chartered Accountants
FRN 103716W

Hitesh Shah
Partner
MNO: 040999

Place: Mumbai,
Date: May 26, 2021
UDIN : 21040999AAAADX2578

“ANNEXURE B” FORMING PART OF INDEPENDENT AUDITOR’S REPORT

“Annexure B” forming part of Independent Auditor’s Report on the Standalone Financial Statements of Patel Integrated Logistics Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”).

We have audited the internal financial controls over financial reporting of Patel Integrated Logistics Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the Standalone Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Hitesh Shah & Associates.
Chartered Accountants
FRN 103716W

Hitesh Shah
Partner
MNO: 040999

Place: Mumbai,
Date: May 26, 2021
UDIN : 21040999AAAADX2578

BALANCE SHEET AS AT 31ST MARCH, 2021

	Note No.	As At 31.03.2021 ₹	As At 31.03.2020 ₹
ASSETS			
Non - Current Assets			
Property, Plant and Equipment	2	47,61,08,642	45,45,01,013
Capital Work-in-Progress		78,36,309	2,12,94,197
Investment Property	3	5,48,34,096	5,58,47,474
Intangible Assets	4	3,24,607	6,72,921
Financial Assets			
Investments	5	3,81,86,456	3,07,68,026
Loans	6	53,98,794	53,28,597
Other Financial Assets	7	3,91,99,067	3,87,02,467
Total Non - Current Assets		62,18,87,971	60,71,14,695
Current Assets			
Financial Assets			
Investments	8	5,57,06,609	7,57,39,840
Trade Receivables	9	71,90,88,813	88,75,68,138
Cash and Cash Equivalents	10	23,07,79,464	12,87,13,276
Other Financial Assets	11	1,46,57,681	2,90,84,658
Other Current Assets	12	26,08,14,035	32,56,32,805
Total Current Assets		1,28,10,46,602	1,44,67,38,717
Total Assets		1,90,29,34,573	2,05,38,53,412
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13	26,03,59,230	16,53,59,230
Other Equity	14	90,58,01,737	1,02,49,45,435
Total Equity		1,16,61,60,967	1,19,03,04,665
Liabilities			
Non - Current Liabilities			
Financial Liabilities			
Borrowings	15	18,76,49,922	19,10,48,804
Other Financial Liabilities	16	3,07,85,634	3,33,33,295
Deferred Tax Liability (Net)	17	2,30,06,564	2,07,41,487
Total Non - Current Liabilities		24,14,42,120	24,51,23,586
Current Liabilities			
Financial Liabilities			
Borrowings	18	35,57,19,137	36,61,68,629
Trade Payables	19	1,83,37,050	15,24,96,820
Other Financial Liabilities	20	8,68,48,996	6,76,86,813
Other Current Liabilities	21	3,08,09,653	1,98,85,546
Provisions	22	36,16,650	1,21,87,353
Total Current Liabilities		49,53,31,486	61,84,25,161
Total Liabilities		73,67,73,606	86,35,48,747
Total Equity and Liabilities		1,90,29,34,573	2,05,38,53,412
Significant Accounting Policies	1		
Notes on Financial Statements	2 - 47		

As per our report of even date
For Hitesh Shah & Associates
 Chartered Accountants
 (Registration No. 103716W)

For and on behalf of the Board of Directors,

HITESH SHAH
 Partner
 Membership No. 040999

Hari Nair
 Managing Director
 DIN-02362137

Farukh Wadia
 Director
 DIN-00097162

Mumbai,
 Dated : 26th May, 2021

Sweta Parekh
 Company Secretary

Deepak Keni
 Chief Financial Officer

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

	Note No.	For the Year Ended 31.03.2021 ₹	For the Year Ended 31.03.2020 ₹
INCOME			
I	23	2,12,24,92,745	3,47,40,92,723
II	24	5,05,36,469	6,46,55,793
III		2,17,30,29,214	3,53,87,48,516
IV EXPENSES			
	25	1,89,87,32,997	3,08,16,66,269
	26	11,33,92,235	18,79,83,868
	27	7,58,78,823	7,38,90,067
	2,3&4	2,35,48,078	3,90,56,867
	28	5,87,59,402	12,35,04,412
		2,17,03,11,535	3,50,61,01,483
V		27,17,679	3,26,47,033
VI	29	-	9,57,28,391
VII		27,17,679	12,83,75,424
VIII Tax Expenses			
		-	2,70,69,000
		22,65,077	(60,99,695)
		(96,833)	-
		21,68,244	2,09,69,305
IX		5,49,435	10,74,06,119
X Other Comprehensive Income			
		(99,37,062)	7,60,54,994
		-	(56,69,000)
		99,37,062	(7,03,85,994)
XI		1,04,86,497	3,70,20,125
XII Earning per Equity Share of face value of ₹ 10/- each			
	30		
		0.03	6.50
		0.03	6.50
	1		
	2 - 47		

As per our report of even date
For Hitesh Shah & Associates
 Chartered Accountants
 (Registration No. 103716W)

For and on behalf of the Board of Directors,

HITESH SHAH
 Partner
 Membership No. 040999

Hari Nair
 Managing Director
 DIN-02362137

Farukh Wadia
 Director
 DIN-00097162

Mumbai,
 Dated : 26th May, 2021

Sweta Parekh
 Company Secretary

Deepak Keni
 Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

	Year Ended 31.03.2021	Year Ended 31.03.2020
	₹	₹
A: CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax	27,17,679	12,83,75,424
Adjusted For :		
Net Prior Year Adjustment	-	-
Profit / Loss on Sale / Discard of Assets (Net)	(1,31,04,080)	(18,29,835)
Profit / Loss on Sale of Business Unit	-	(12,74,20,426)
Depreciation	2,35,48,078	3,90,56,867
(Net gain) / Loss on Sale of Current/Non Current Investments	(31,16,256)	(9,33,245)
Dividend Income	(16,33,216)	(50,47,374)
Interest Income	(1,48,90,773)	(99,59,260)
Finance Cost	7,58,78,823	7,38,90,067
	<u>6,66,82,576</u>	<u>(3,22,43,206)</u>
Operating Profit Before Working Capital Changes	6,94,00,255	9,61,32,218
Adjusted For :		
Trade and Other Receivables	17,92,48,396	(22,94,26,870)
Trade and Other Payables	(26,81,81,767)	2,55,03,267
	<u>(8,89,33,371)</u>	<u>(20,39,23,603)</u>
Cash Generated from Operations	(1,95,33,116)	(10,77,91,385)
Taxes Received / (Paid) (Net)	6,49,94,737	(4,87,33,908)
	<u>6,49,94,737</u>	<u>(4,87,33,908)</u>
Net Cash from Operating Activities	<u>4,54,61,621</u>	<u>(15,65,25,293)</u>
B: CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(4,84,77,599)	(3,37,59,149)
Sale of Fixed Assets	1,77,87,664	7,15,21,422
(Purchase) / Sale of Current / Non Current Investment (Net)	3,69,46,153	1,15,26,605
Preceeds from Sale of Business Unit	-	34,00,00,000
Movement in Fixed Deposits (Net)	66,93,839	(14,28,523)
(Increase) / Decrease in Capital Work in Progress	1,34,57,888	(18,38,251)
Interest Received	1,45,17,750	99,91,760
Dividend Received	16,33,216	50,47,374
	<u>4,25,58,911</u>	<u>40,10,61,238</u>
Net Cash (used in) Investing Activities	<u>4,25,58,911</u>	<u>40,10,61,238</u>

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

	Year Ended 31.03.2021	Year Ended 31.03.2020
	₹	₹
C: CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Public Deposits (Net)	2,14,000	(4,91,22,000)
Proceeds from Right Issue	9,50,00,000	-
Rights Share Issue Expenses	(51,38,407)	-
Proceeds from Long Term Borrowings (Net)	1,81,50,344	(3,17,25,101)
Transfer of Cash & Bank Balance on Sale of Business Unit	-	(81,76,625)
Interest Paid	(7,53,83,329)	(7,61,25,211)
Dividend Paid	(16,53,621)	(99,67,466)
Net Cash (used in) / from Financing Activities	3,11,88,987	(17,51,16,403)
Net Increase / (Decrease) in Cash and Cash Equivalents	11,92,09,519	6,94,19,542
Opening Balance of Cash and Cash Equivalents	(25,17,27,213)	(32,11,46,755)
Closing Balance of Cash and Cash Equivalents	(13,25,17,694)	(25,17,27,213)

Notes :

- 1) The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS -7) "Cash Flow Statement".
- 2) Cash and Cash Equivalents do not include Fixed Deposits with Banks earmarked against Public Deposit.
- 3) Amount unutilised received against Right Issue of ₹ 9,43,21,101/- was included in above specified Bank Account.
- 4) Figures in bracket denote outflow of cash.
- 5) Previous year's figures have been restated/recasted, wherever necessary, to confirm to this year's classification.

As per our report of even date
For Hitesh Shah & Associates
Chartered Accountants
(Registration No. 103716W)

For and on behalf of the Board of Directors,

HITESH SHAH
Partner
Membership No. 040999

Hari Nair
Managing Director
DIN-02362137

Farukh Wadia
Director
DIN-00097162

Mumbai,
Dated : 26th May, 2021

Sweta Parekh
Company Secretary

Deepak Keni
Chief Financial Officer

Statement of Changes in Equity for the Year Ended 31st March, 2021

A. Equity Share Capital

Balance at the beginning of the reporting period i.e. 1 st April, 2019	Changes in equity share capital during the year 2019 - 20	Balance at the end of the reporting period i.e. 31 st March, 2020	Changes in equity share capital during the year 2020 - 21	Balance at the end of the reporting period i.e. 31 st March, 2021
16,53,59,230	-	16,53,59,230	9,50,00,000	26,03,59,230

B. Other Equity

Amount in ₹

Particulars	Reserves and Surplus							Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Contingency Reserve	Profit and Loss Account	Other Comprehensive Income	
Balance at the beginning of the reporting period i.e. 1 st April, 2020	5,42,69,069	18,60,000	38,72,36,869	50,78,23,518	50,06,780	18,17,74,765	(11,30,25,566)	1,02,49,45,435
Net of Income/(expenses) for the year	-	-	-	-	(12,28,38,167)	5,49,435	99,37,062	(11,23,51,670)
Dividend	-	-	-	-	-	(16,53,621)	-	(16,53,621)
Share Issue Expenses	-	-	(51,38,407)	-	-	-	-	(51,38,407)
Transfer (to)/from Profit and Loss Account	-	-	-	-	12,00,00,000	(12,00,00,000)	-	-
Balance at the end of the reporting period i.e. 31st March, 2021	5,42,69,069	18,60,000	38,20,98,462	50,78,23,518	21,68,613	6,06,70,579	(10,30,88,504)	90,58,01,737

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

As per our report of even date
For Hitesh Shah & Associates
Chartered Accountants
(Registration No. 103716W)

For and on behalf of the Board of Directors,

HITESH SHAH
Partner
Membership No. 040999

Hari Nair
Managing Director
DIN-02362137

Farukh Wadia
Director
DIN-00097162

Mumbai,
Dated : 26th May, 2021

Sweta Parekh
Company Secretary

Deepak Keni
Chief Financial Officer

Notes on Financial Statements for the Year Ended 31st March, 2021

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 Previous 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.

During the year the Company has ventured into health and fitness industry by taking franchisee of GYM business.

1.B. Significant Accounting Policies

a. Basis for preparation of Standalone Financial Statements:

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.

Notes on Financial Statements for the Year Ended 31st March, 2021

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.

Notes on Financial Statements for the Year Ended 31st March, 2021

B. Subsequent measurement

a) 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.

b) 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.

c) 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:

- 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
- 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.

Notes on Financial Statements for the Year Ended 31st March, 2021

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 if any, 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 Receivable

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.

Notes on Financial Statements for the Year Ended 31st March, 2021

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. Contingency Reserve

A contingency reserve is retained earnings that have been set aside to guard against possible future losses. A contingency reserve is needed in situations where a business occasionally suffers significant losses, and needs reserves to offset those losses.

p. 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.

Notes on Financial Statements for the Year Ended 31st March, 2021

2 PROPERTY, PLANT AND EQUIPMENT

Description	Gross Carrying Value			Depreciation / Amortisation			Net Carrying Value	
	As at 01.04.2019	Additions / Adjustment	Deductions / Adjustments	As at 01.04.2020	Additions / Adjustment	Deductions / Adjustments	As at 31.03.2021	As at 31.03.2020
Freehold Land	20,66,65,778	1,09,500	-	20,67,75,278	13,62,970	12,94,950	20,68,43,298	20,67,75,278
Leasehold Land	3,87,50,050	7,95,346	7,43,906	3,88,01,490	2,50,000	3,83,490	3,86,58,000	3,70,94,724
Buildings	16,16,16,846	55,67,393	48,88,177	16,22,96,062	3,10,53,346	10,88,875	19,22,50,533	16,13,60,728
Furniture and Fixtures	14,56,42,020	31,53,919	1,18,72,468	13,69,23,471	63,76,115	-	14,32,99,586	2,98,76,321
Computer	17,50,29,708	46,39,249	4,57,81,465	13,38,87,492	38,63,080	3,91,720	13,73,58,852	72,48,609
Office Equipment	7,68,92,155	12,61,757	2,57,92,972	5,23,60,940	40,59,526	22,400	5,63,98,066	79,39,194
Plant and Machinery	98,15,319	1,09,792	73,07,066	26,18,045	9,000	-	26,27,045	1,21,773
Truck	15,46,99,521	-	13,20,17,588	2,26,81,933	-	36,12,151	1,90,69,782	1,67,28,707
Vehicles	4,24,12,753	1,81,13,793	61,09,705	5,44,16,841	15,03,562	-	5,59,20,403	2,32,82,920
Total	1,01,15,24,150	3,37,50,749	23,45,13,347	81,07,61,552	4,84,77,599	68,13,586	85,24,25,565	47,61,08,642

2.1 Building includes ₹ 250/- in respect of shares held in the Society

2.2 Buildings worth ₹ 58,77,423/- included in Gross Block are revalued on the basis of the replacement value as at 30.06.1987 and the office premises worth ₹ 2,48,44,368/- included in Gross Block are revalued on the basis of the replacement value as at 31.03.1993. They are stated at revalued figures less accumulated depreciation.

2.3 The office building at Natasha 1st Floor, Bandra, Mumbai - 400 050 there is no marketable title of the property on account of litigation pending before the High Court

2.4 Gross carrying of leasehold land represents amounts paid under certain lease-cum-sale agreements to acquire land including agreements where the Company has an option to purchase or renew the properties on expiry of the lease period.

3 INVESTMENT PROPERTY :

Description	Gross Carrying Value			Depreciation / Amortisation			Net Carrying Value	
	As at 01.04.2019	Additions / Adjustment	Deductions / Adjustments	As at 01.04.2020	Additions / Adjustment	Deductions / Adjustments	As at 31.03.2021	As at 31.03.2020
Buildings	6,64,07,854	-	22,70,230	6,41,37,624	-	4,24,531	6,41,37,624	5,58,47,474
Total	6,64,07,854	-	22,70,230	6,41,37,624	-	4,24,531	6,41,37,624	5,58,47,474

4 INTANGIBLE ASSETS :

Description	Gross Carrying Value			Depreciation / Amortisation			Net Carrying Value	
	As at 01.04.2019	Additions / Adjustment	Deductions / Adjustments	As at 01.04.2020	Additions / Adjustment	Deductions / Adjustments	As at 31.03.2021	As at 31.03.2020
Licence Software	2,77,13,936	8,400	67,02,117	2,10,20,219	-	51,10,750	2,06,95,612	6,72,921
Total	2,77,13,936	8,400	67,02,117	2,10,20,219	-	51,10,750	2,06,95,612	6,72,921

Notes on Financial Statements for the Year Ended 31st March, 2021

	As at 31.03.2021		As at 31.03.2020	
	Units	₹	Units	₹
5 INVESTMENTS				
Investments Measured at Cost				
Non Trade Unquoted				
The Memon Co-op. Bank Ltd of ₹10/- each fully paid up	5	50	5	50
Shamrao Vithal Co-op Bank Ltd. of ₹ 25/- each fully paid up	5,000	1,25,000	5,000	1,25,000
NKGSB Co-op Bank Ltd of ₹10/- each fully paid up	50	500	50	500
Shri Ambuja Petrochemicals Ltd of ₹10/- each fully paid up	910	9,100	910	9,100
The Natasha Co-op. Housing Society Ltd. of ₹ 50/- each fully paid up	5	250	5	250
Piramal Glass Ltd. of ₹ 10/- each fully paid up	8	-	8	-
Saraswat Co-operative Bank Ltd. of ₹ 10/- each fully paid up	2,500	25,000	-	-
		1,59,900		1,34,900
Investments Measured at Fair Value through Other Comprehensive Income				
Investments in Equity Shares				
Trade Quoted				
Gati Ltd. of ₹ 2/- each fully paid up	20	1,013	20	1,013
All Cargo Logistics Ltd. of ₹ 2/-each fully paid up	200	16,993	200	16,993
Transport Corporation of India Ltd. of ₹ 2/- each fully paid up	20	1,495	20	1,495
TCI Express Ltd. of ₹ 2/- each fully paid up	10	-	10	-
		19,501		19,501
Non Trade Quoted				
Ganesh Anhydride Ltd. of ₹10/- each fully paid up	50	500	50	500
BSE Ltd of ₹ 2/- each fully paid up	110	88,660	110	88,660
TCI Developers Ltd. of ₹ 10/- each fully paid up	1	-	1	-
Hindustan Petroleum Corporation Ltd. of ₹ 10/- each fully paid up	1,14,750	4,20,76,553	1,14,750	4,20,76,553
FDC Ltd. of ₹ 1/- each fully paid up	-	-	7,983	2,284,068
		4,21,65,713		4,44,49,781
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
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
Investment - FVTOCI		(2,41,58,658)		(3,38,36,156)
TOTAL		3,81,86,456		3,07,68,026
Aggregate book value of quoted investments		3,80,26,556		3,06,33,126
Aggregate market value of quoted investments		3,80,26,556		3,06,33,126
(As investments are valued at fair value on 31st March based on the newly adopted Ind AS)				
Aggregate book value of unquoted investments		1,59,900		1,34,900

Notes on Financial Statements for the Year Ended 31st March, 2021

	As at 31.03.2021 ₹	As at 31.03.2020 ₹
5.1 Category - wise Non Current Investments		
Financial assets measured at cost	1,59,900	1,34,900
Financial assets measured at fair value through other Comprehensive Income	3,80,26,556	3,06,33,126
Total Non Current Investments	3,81,86,456	3,07,68,026
	As at 31.03.2021 ₹	As at 31.03.2020 ₹
6 LOANS		
(Unsecured Considered Good)		
Deposit Others	53,98,794	53,28,597
TOTAL	53,98,794	53,28,597
	As at 31.03.2021 ₹	As at 31.03.2020 ₹
7 OTHER FINANCIAL ASSETS		
Deposit to Related Party (Refer Note No. 40[i])	1,00,00,000	1,00,00,000
Deposit	48,30,067	43,33,467
Other Loans and Advances (Refer Note No. 38)	2,43,69,000	2,43,69,000
TOTAL	3,91,99,067	3,87,02,467
	As at 31.03.2021 Units ₹	As at 31.03.2020 Units ₹
8 INVESTMENTS		
Investments Measured at Cost		
Investments in Debentures - Unquoted		
NCD of Ganesh Benzo Plast Ltd of ₹ 75/- each fully paid up	40 3,000	40 3,000
Secured NCD of Orris Infrastructure Pvt. Ltd.	1 27,52,219	1 35,29,949
Secured NCD Omkar Realtors Andheri Project Pvt. Ltd. SR-A 15	1 27,066	1 142,558
	27,82,285	36,75,507
Investments in Mutual Fund - Unquoted		
Essel Asset II at NAV of ₹ 100/- each	1,36,454 1,36,45,351	1,46,893 1,46,89,340
India Housing Fund (A Category II AIF Scheme)	- -	2,49,217 24,78,941
Reliance Yield Maximiser AIF Scheme III	40,98,395	66,26,752
BPEA India Credit Investment Trust II	90,804 93,16,400	90,804 93,16,400
Edelweiss Multi Strategy Fund Management	25,00,000	25,00,000
Indiabulls High Yield Fund	92,95,282	1,00,00,000
	3,88,55,428	4,56,11,433

Notes on Financial Statements for the Year Ended 31st March, 2021

	As at 31.03.2021		As at 31.03.2020	
	Units	₹	Units	₹
Investments Measured at Fair Value through Other Comprehensive Income				
Investments in Equity Shares				
Trade Quoted				
Blue Dart Express Ltd. of ₹ 10/- each fully paid up	-	-	1,000	45,89,909
		-		45,89,909
Non Trade Quoted				
Indian Oil Corporation Ltd. of ₹ 10/- each fully paid up	9,614	12,53,241	9,614	12,53,241
Mahindra & Mahindra Ltd. of ₹ 5/- each fully paid up	1,010	9,57,076	1,010	9,57,076
HEG Limited of ₹ 10/- each fully paid up	222	9,22,688	222	9,22,688
Biocon Limited of ₹ 5/- each fully paid up	-	-	1,540	9,91,804
Mphasis Ltd of ₹ 10/- each fully paid up	-	-	1,923	23,43,393
ITC Limited of ₹ 1/- each fully paid up	8,000	24,37,200	8,000	24,37,200
Lupin Limited of ₹ 2/- each fully paid up	-	-	1,110	9,90,496
IndusInd Bank Limited of ₹ 10/- each fully paid up	1,250	19,93,790	1,250	19,93,790
		75,63,995		1,18,89,688
Investments in Debentures - Quoted				
NCD of Blue Dart Express Ltd. SR-III 9.5 of ₹ 10/- each fully paid up	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
HDFC Capital Builder Fund - Direct Plan Dividend	74,796.553	25,00,000	74,796.553	25,00,000
Essel Large Cap Equity Fund	-	-	1,36,707.375	25,00,000
Essel Liquid Fund	-	-	2,632	5,000
Redeemable Units of ICICI Balanced Advantage Fund at NAV of ₹ 15.09 each	-	-	6,45,642.559	1,00,01,000
Reliance Growth Fund - Direct Plan Dividend	-	-	27,712.898	25,00,000
Reliance Liquid Fund Treasury Plan (Direct)	1,203	5,000	1,203	5,000
		75,31,372		2,25,37,372
Investment - FVTOCI		(10,26,471)		(1,25,64,069)
TOTAL		5,57,06,609		7,57,39,840
Aggregate book value of quoted investments		1,40,68,896		2,64,52,900
Aggregate market value of quoted investments		1,40,68,896		2,64,52,900
(As investments are valued at fair value on 31 st March based on the newly adopted Ind AS)				
Aggregate book value of unquoted investments		4,16,37,713		4,92,86,940

Notes on Financial Statements for the Year Ended 31st March, 2021

	As at 31.03.2021	As at 31.03.2020
	₹	₹
8.1 Category - wise Current Investments		
Financial assets measured at cost	4,16,37,713	4,92,86,940
Financial assets measured at fair value through other Comprehensive Income	1,40,68,896	2,64,52,900
Total Current Investments	<u>5,57,06,609</u>	<u>7,57,39,840</u>
	As at 31.03.2021	As at 31.03.2020
	₹	₹
9 TRADE RECEIVABLES		
Secured Considered Good	85,90,481	85,90,481
Unsecured Considered Good	71,04,98,332	87,89,77,657
TOTAL	<u>71,90,88,813</u>	<u>88,75,68,138</u>
	As at 31.03.2021	As at 31.03.2020
	₹	₹
10 CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Balance with Banks		
In Current Accounts (includes proceeds of Right Issue)	12,73,54,919	6,52,90,682
In Accounts for Unclaimed Dividend	27,26,051	30,41,643
Cash on Hand	13,16,161	10,83,702
Other Bank Balances		
In Fixed Deposits	3,25,000	3,25,000
In Fixed Deposits (as margin money against bank guarantees, LC's and Others)	9,14,79,312	4,47,00,389
In Fixed Deposits (as earmarked against public deposits)	75,78,021	1,42,71,860
TOTAL	<u>23,07,79,464</u>	<u>12,87,13,276</u>
10.1 Fixed deposits with bank includes deposits of ₹ Nil/- (Previous Year ₹ 1,90,95,750/-) with maturity of more than 12 months		
10.2 Bank balance of ₹ 9,43,21,101/- represents Rights Issue proceeds pending utilisation kept in Current Account.		
	As at 31.03.2021	As at 31.03.2020
	₹	₹
11 OTHER FINANCIAL ASSETS		
Deposit	1,27,00,000	2,75,00,000
Interest Accrued on Bank Deposits	19,57,681	15,84,658
TOTAL	<u>1,46,57,681</u>	<u>2,90,84,658</u>
	As at 31.03.2021	As at 31.03.2020
	₹	₹
12 OTHER CURRENT ASSETS		
Prepaid Expenses	58,01,267	45,32,844
Staff Advances	48,15,608	55,75,836
Advance Income Tax (Net of Provision)	7,41,83,778	13,90,81,682
Others*	17,60,13,382	17,64,42,443
TOTAL	<u>26,08,14,035</u>	<u>32,56,32,805</u>

* includes interest receivable, GST Input, claim receivable, agent receivable and others.

Notes on Financial Statements for the Year Ended 31st March, 2021

13 SHARE CAPITAL	As at 31.03.2021		As at 31.03.2020	
	Units	₹	Units	₹
Authorised Share Capital				
Equity Share of ₹ 10/- each	3,00,00,000	30,00,00,000	3,00,00,000	30,00,00,000
		30,00,00,000		30,00,00,000
ISSUED, SUBSCRIBED AND PAID UP :				
Equity Shares of ₹ 10/- each paid up value	1,65,35,923	16,53,59,230	1,65,35,923	16,53,59,230
Add : Equity Shares Issued during the year	95,00,000	9,50,00,000	-	-
TOTAL		26,03,59,230		16,53,59,230

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

Particulars	As At	As At
	31.03.2021	31.03.2020
	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
Add: Shares issued during the year	95,00,000	-
Equity Shares at the end of the year	2,60,35,923	1,65,35,923

13.2 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.

13.3 The details of Shareholders holding more than 5 % shares :

Name of the Shareholders	As At 31.03.2021		As At 31.03.2020	
	No. of Shares	% held	No. of Shares	% held
Patel Holdings Limited	50,25,667	19.30	30,25,667	18.30
A. S. Patel Trust	13,71,500	5.27	13,71,500	8.29
Mr. Asgar S. Patel	31,04,510	11.92	10,65,879	6.45
Mr. Areef A. Patel	-	-	9,27,884	5.61
Frontline Strategy Limited	8,99,362	3.16	8,99,362	5.44

Notes on Financial Statements for the Year Ended 31st March, 2021

	As at 31.03.2021 ₹	As at 31.03.2020 ₹
14 OTHER EQUITY		
Capital Reserve	5,42,69,069	5,42,69,069
Capital Redemption Reserve	18,60,000	18,60,000
Securities Premium Reserve		
As per last Balance Sheet	38,72,36,869	38,72,36,869
Less : Share Issue Expenses	51,38,407	-
	38,20,98,462	38,72,36,869
General Reserve		
As per last Balance Sheet	50,78,23,518	49,78,23,518
Add : Transferred from Profit and Loss Account	-	1,00,00,000
	50,78,23,518	50,78,23,518
Other Reserve		
Contingency Reserve		
As per last Balance Sheet	50,06,780	7,25,25,505
Add : Transferred from Profit and Loss Account	12,00,00,000	5,00,00,000
	12,50,06,780	12,25,25,505
Less : Transfer to Profit and Loss Account	12,28,38,167	11,75,18,725
	21,68,613	50,06,780
Profit and Loss Account		
As per last Balance Sheet	18,17,74,765	14,43,36,112
Add : Profit for the year	5,49,435	10,74,06,119
	18,23,24,200	25,17,42,231
Less : Appropriations :		
Transferred to General Reserve	-	1,00,00,000
Transferred to Contingency Reserve	12,00,00,000	5,00,00,000
Final Dividend on Equity Shares (Dividend per share Re. 0.10 (Previous Year Re. 0.50))	16,53,621	82,67,962
Tax on Dividend	-	16,99,504
	6,06,70,579	18,17,74,765
Other Comprehensive Income		
As per last Balance Sheet	(11,30,25,566)	(4,26,39,572)
Add : Movement in OCI (Net) during the year	99,37,062	(7,03,85,994)
	(10,30,88,504)	(11,30,25,566)
TOTAL	90,58,01,737	1,02,49,45,435

Notes on Financial Statements for the Year Ended 31st March, 2021

	As At 31.03.2021		As At 31.03.2020		
	Non Current	Current	Non Current	Current	
	₹	₹	₹	₹	
15 BORROWINGS					
Secured					
Term Loan From Banks	9,27,65,932	49,73,777	1,37,92,799	46,54,635	
Term Loan From Other Financial Institutions	4,57,43,990	13,00,040	8,07,11,005	74,74,956	
	13,85,09,922	62,73,817	9,45,03,804	1,21,29,591	
Unsecured					
Loans From Related Parties	-	-	2,00,00,000	-	
Deposit accepted from Public	4,91,40,000	6,86,36,000	7,65,45,000	4,10,17,000	
	4,91,40,000	6,86,36,000	9,65,45,000	4,10,17,000	
TOTAL	18,76,49,922	7,49,09,817	19,10,48,804	5,31,46,591	
15.1 Secured Term Loan from Banks referred above are secured by way of hypothecation of Motor Cars and Land and Structure which is in Bangalore for Warehouse					
15.2 Secured Term loan from Other Financial Institute referred above is secured by office premises located at, Unit No. 504, 5 th Floor, The Crescent Business Park, Andheri Kurla Road, Sakinaka, Andheri (E), Mumbai - 400 072. 11 Flats at Bangalore Unit No. 609 & 610 of The Avenue, Andheri, Mumbai.					
15.3 Maturity Profile of Term Loan is set out below :	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	16,90,219	32,83,558	7,93,45,600	1,34,20,332	-
Secured Term Loan From Other Financial Institutions	6,32,522	6,67,518	68,60,908	1,40,02,574	2,48,80,508
			As at 31.03.2021	As at 31.03.2020	
			₹	₹	
16 OTHER FINANCIAL LIABILITIES					
Deposits*			3,07,85,634	3,33,33,295	
TOTAL			3,07,85,634	3,33,33,295	
* Deposits includes deposits from Customers, Franchisees and others.			As at 31.03.2021	As at 31.03.2020	
			₹	₹	
17 DEFERRED TAX LIABILITY (NET)					
Deferred Tax Liability					
Related to Fixed Assets			2,30,06,564	2,07,41,487	
TOTAL			2,30,06,564	2,07,41,487	
			As at 31.03.2021	As at 31.03.2020	
			₹	₹	
18 BORROWINGS					
Secured - Loans repayable on demand					
Working Capital Loans From Banks			35,06,75,062	36,61,68,629	
Unsecured					
Loans From Other			50,44,075	-	
TOTAL			35,57,19,137	36,61,68,629	

Notes on Financial Statements for the Year Ended 31st March, 2021

18.1 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, Vinayak Arcade, Survey No. 46/1 + 3C/4252 at Akurdi Village, Taluka Haveli, Pune.

	As at 31.03.2021 ₹	As at 31.03.2020 ₹
19 TRADE PAYABLES		
Others	1,83,37,050	15,24,96,820
TOTAL	<u>1,83,37,050</u>	<u>15,24,96,820</u>
19.1 The Company has not received any intimation from its outstanding vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006, till 26th May, 2021 and hence the disclosure, if any under the said Act has not been made.		
	As at 31.03.2021 ₹	As at 31.03.2020 ₹
20 OTHER FINANCIAL LIABILITIES		
Current Maturities of Public Deposits	6,74,95,000	3,78,84,000
Current Maturities of Term Loan Liabilities	62,73,817	1,21,29,591
Interest Accrued but not due on Public Deposits	66,54,724	65,96,348
Unclaimed Dividend	27,26,051	30,41,643
Application Money Received For Allotment Of Securities And Due For Refund	2,47,970	-
Unclaimed Matured Deposits and Interest Accrued thereon	28,66,154	44,21,036
Creditors for Capital Expenditure	5,85,280	36,14,195
TOTAL	<u>8,68,48,996</u>	<u>6,76,86,813</u>
	As at 31.03.2021 ₹	As at 31.03.2020 ₹
21 OTHER CURRENT LIABILITIES		
Staff Advance	44,49,789	-
Statutory Liabilities	92,85,927	85,58,364
Staff Liabilities	1,12,09,346	58,57,029
Overdrawn Balance in Current Account with Bank	-	53,487
Liabilities for claims	23,22,897	23,22,896
Other Payables*	35,41,694	30,93,770
TOTAL	<u>3,08,09,653</u>	<u>1,98,85,546</u>
* Includes Agency payables, etc.		
	As at 31.03.2021 ₹	As at 31.03.2020 ₹
22 PROVISIONS		
Provisions for Leave Encashment	36,56,573	48,67,932
Provisions for Gratuity	(39,923)	73,19,421
TOTAL	<u>36,16,650</u>	<u>1,21,87,353</u>

Notes on Financial Statements for the Year Ended 31st March, 2021

	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
	₹	₹
23 REVENUE FROM OPERATIONS		
Sale of Services		
Freight	3,07,20,000	29,09,21,076
Co Loading and Cargo Income	2,04,48,07,129	2,83,72,48,530
Commission	4,69,65,616	33,98,92,443
Other Operating Income	-	60,30,674
TOTAL	2,12,24,92,745	3,47,40,92,723
	₹	₹
24 OTHER INCOME		
Interest Income	1,48,90,773	99,59,260
Dividend Income	16,33,216	50,47,374
Other Non Operating Income	3,40,12,480	4,96,49,159
TOTAL	5,05,36,469	6,46,55,793
	₹	₹
25 OPERATING COST		
Truck Hire Charges	-	12,18,36,902
Truck Operational Expenses	-	2,08,50,847
Truck Repairs and Maintenance Expenses	-	50,49,268
Diesel, Oil and Grease	-	3,26,01,732
Taxes and Permits	2,00,389	23,38,869
Sundry Airport Expenses	22,51,701	1,75,80,200
Line Haul Transportation Expenses	1,38,82,820	3,98,84,205
Cargo Freight Charges	1,77,76,42,830	2,56,78,80,221
Handling Charges	9,18,51,094	22,59,16,103
Packing Materials Expenses	2,59,400	6,00,405
Miscellaneous Operating Expenses	1,26,44,763	3,37,90,032
Insurance	-	21,62,929
Agency Commission	-	1,11,74,556
Claims for Loss of Goods (Net of Recoveries)	-	17,68,000
Less : Transfer from Contingency Reserve	-	(17,68,000)
TOTAL	1,89,87,32,997	3,08,16,66,269
	₹	₹
26 EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	10,23,44,920	16,04,72,793
Contribution to Provident and Other Funds	95,59,206	1,42,47,642
Staff Welfare Expenses	14,88,109	1,32,63,433
TOTAL	11,33,92,235	18,79,83,868
	₹	₹

Notes on Financial Statements for the Year Ended 31st March, 2021

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

	Gratuity		Leave	
	2020 - 21	2019 - 20	2020 - 21	2019 - 20
	₹	₹	₹	₹
(A) Reconciliation of changes in present value of obligations				
At the beginning of the year	4,21,95,036	6,28,65,654	88,17,854	1,56,81,723
Transfer of Balance on Sale of Business Unit	-	-	-	(81,38,215)
Current service cost	23,77,664	42,36,941	8,57,746	6,31,105
Interest Cost	30,59,140	47,14,924	6,17,250	5,65,763
Actuarial (Gain) / Loss	(5,70,029)	(20,43,082)	16,29,415	56,29,526
Benefits paid	(89,70,875)	(2,75,79,401)	(37,96,208)	(55,52,048)
At the closing of the year	3,80,90,936	4,21,95,036	81,26,057	88,17,854
(B) Reconciliation of changes in fair value of plan assets				
At the beginning of the year	3,18,75,615	2,41,43,490	39,49,922	1,27,89,197
Transfer of Balance on Sale of Business Unit	-	-	-	(82,38,835)
Expected return on plan assets	27,31,616	13,44,257	3,25,574	2,28,695
Contributions	1,24,94,503	3,39,67,269	39,90,196	47,22,913
Benefits paid	(89,70,875)	(2,75,79,401)	(37,96,208)	(55,52,048)
Actuarial (Gain) / Loss	-	-	-	-
At the closing of the year	3,81,30,859	3,18,75,615	44,69,484	39,49,922
(C) Reconciliation of fair value of plan assets				
At the beginning of the year	3,18,75,615	2,41,43,490	39,49,922	1,27,89,197
Transfer of Balance on Sale of Business Unit	-	-	-	(82,38,835)
Actual return on plan assets	27,31,616	13,44,257	3,25,574	2,28,695
Contributions	1,24,94,503	3,39,67,269	39,90,196	47,22,913
Benefits paid	(89,70,875)	(2,75,79,401)	(37,96,208)	(55,52,048)
At the closing of the year	3,81,30,859	3,18,75,615	44,69,484	39,49,922
Funded Status	39,923	(1,03,19,421)	(36,56,573)	(48,67,932)
Excess of actual over estimated return on plan assets	-	-	-	-
(Actual rate of return = Estimated rate of return as ARD falls on 31 st March)				
(D) Actuarial Gain / Loss recognized				
Actuarial (gain) / loss on obligations	5,70,029	20,43,082	(16,29,415)	(56,29,526)
Actuarial (gain) / loss for the year - Plan Assets	-	-	-	-
Actuarial (gain) / loss on obligations	(5,70,029)	(20,43,082)	16,29,415	56,29,526
Actuarial (gain) / loss recognized in the year	(5,70,029)	(20,43,082)	16,29,415	56,29,526
(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	3,80,90,936	4,21,95,036	81,26,057	88,17,854
Fair value of plan assets as at the end of year	3,81,30,859	3,18,75,615	44,69,484	39,49,922
Funded Status	39,923	(1,03,19,421)	(36,56,573)	(48,67,932)
Net assets / (liability) recognized in Balance Sheet	39,923	(1,03,19,421)	(36,56,573)	(48,67,932)
(F) Expenses recognised in statement of Profit and Loss				
Current Service Cost	23,77,664	42,36,941	8,57,746	6,31,105
Interest Cost	30,59,140	47,14,924	6,17,250	5,65,763
Expected return on plan assets	(27,31,616)	(13,44,257)	(3,25,574)	(2,28,695)
Net Actuarial (gain) / loss recognised in the year	(5,70,029)	(20,43,082)	16,29,415	56,29,526
Expenses recognised in Statement of Profit and Loss	21,35,159	55,64,526	27,78,836	65,97,699

Notes on Financial Statements for the Year Ended 31st March, 2021

	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
	₹	₹
27 FINANCE COSTS		
Interest Expense	6,98,26,358	6,95,90,251
Other Borrowing Costs	60,52,465	42,99,816
TOTAL	7,58,78,823	7,38,90,067
	₹	₹
28 OTHER EXPENSES		
Electricity Charges	19,98,673	54,36,111
Rent	68,28,305	1,70,28,512
Repair to Buildings	14,56,905	16,83,126
Insurance	16,78,229	19,86,784
Printing and Stationery	17,25,398	50,91,389
Postage and Telegram, Internet charges	1,35,427	17,84,953
Conveyance and Travelling	22,89,880	1,22,17,497
Telephone and Telex	19,26,941	35,38,457
Rate and Taxes	7,24,401	8,70,144
Legal and Professional Fees	2,34,24,543	2,40,15,329
Auditors' Remuneration (Refer Note No. 31)	19,30,000	19,30,000
Advertisement, Publicity and Business Promotion	4,22,857	40,22,194
Directors' Sitting Fees	9,47,500	13,35,000
Corporate Social Responsibility Expenditure (Refer Note No. 32)	2,99,520	9,87,667
Miscellaneous Expenses	1,29,70,823	4,15,77,249
Bad Debts Written Off	12,28,38,167	11,57,50,725
Less : Transfer from Contingency Reserve	(12,28,38,167)	(11,57,50,725)
TOTAL	5,87,59,402	12,35,04,412
	₹	₹
29 EXCEPTIONAL ITEMS		
Gain on sale of Roadways Business (Refer Note No. 44)	-	12,74,20,426
Loss on sale of Trucks	-	(3,16,92,035)
TOTAL	-	9,57,28,391
30 EARNINGS PER SHARE (EPS)	2020-21	2019-20
A) Net Profit After Tax for the year	5,49,435	10,74,06,119
B) Calculation of Weighted Average Number of Equity Share of ₹ 10 each		
i) Number of shares at the beginning of the year	1,65,35,923	1,65,35,923
ii) Total number of shares outstanding at the end of the year	2,60,35,923	1,65,35,923
iii) Weighted Average Number of Equity Shares outstanding during the year	1,67,96,197	1,65,35,923
C) Basic Earning per share (in ₹)	0.03	6.50
D) Diluted Earning per share (in ₹)	0.03	6.50
E) Nominal Value of Shares	10.00	10.00

Notes on Financial Statements for the Year Ended 31st March, 2021

31. Payment to Auditors :

Particulars	For the Year 2020 - 21 ₹	For the Year 2019 - 20 ₹
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

32. 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 – ₹ Nil/- (Previous Year ₹ 12,62,409/-)
- II. Amount spent by the Company during the year on purpose towards corporate social responsibility (CSR) is ₹ 2,99,520/- (Previous Year ₹ 9,87,667/-)

33. Earnings and Expenditure in Foreign Currency :

Particulars	For the Year 2020 - 21 ₹	For the Year 2019 - 20 ₹
Earnings in Foreign Currency :		
Air Freight Billing and Other expenses (Net)	--	--
Total	--	--
Expenditure in Foreign Currency :		
Membership and Subscription Fees	50,539	67,429
Travelling	--	3,84,208
Total	50,539	4,51,637

34. Contingent Liabilities

- i. Estimated amount of contracts remaining to be executed on capital expenditure and not provided for as on 31st March, 2021 ₹ 58,21,398/- (Previous Year ₹ Nil).
 - ii. Counter guarantees given to Banks against credit facilities ₹ 5,16,15,000/- (Previous Year ₹ 2,33,15,000/-).
 - iii. Claims against the Company not acknowledged as debts ₹ 6,25,92,675/- (Previous Year ₹ 6,16,09,804/-).
35. 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.
36. 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.
37. Balances of Trade Receivables are based on acknowledgement of bills by the parties.
38. Other Loans and Advances under Long Term Loans & Advances includes Inter Corporate Deposits aggregating to ₹ 1,28,27,000/- (Previous Year ₹ 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.

Notes on Financial Statements for the Year Ended 31st March, 2021

39. Segment Reporting :

The Company has currently one business unit based on its Air Cargo Service and has one reportable segment. The management monitors the operating results of its single business unit for the purpose of making decisions about resource allocation and performance assessment. During the previous year Company had another segment, surface transport, which had been transferred through slump sale with effect from 01st July, 2019.

During the year the Company has ventured into health and fitness industry by taking franchisee of GYM business for which operations are not started till 31.03.2021.

40. Related Party Disclosures : -

Related Parties have been classified as per Ind AS 24 as under:

- A) Enterprises that directly or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise.

None

- B) Individuals owning directly or indirectly an interest in the voting power of the reporting enterprise that gives them significant influence over the enterprise, and relative of such individual.

Mr. Asgar S. Patel and his relatives as defined by the Act.

- C) Key Management Personnel and relatives of such personnel and his relatives as defined by the Act.

Mr. Areef Patel (Till 29.07.2019)

Mr. Syed K. Husain (Till 02.02.2021)

Mr. Mahesh Fogla (Till 19.10.2020)

Mr. Nitin Akolkar (Till 30.10.2020)

Mr. Hari Nair (w.e.f. 12.02.2021)

Ms. Jasmin Lalla (w.e.f. 11.02.2021)

Mr. Deepak Keni (w.e.f. 30.10.2020)

Ms. Sweta Parekh (w.e.f. 02.11.2020)

- D) Enterprises over which any person described in (A) or (B) is able to exercise significant influence

- a) Wall Street Securities & Investment (India) Ltd.
- b) Patel Real Estate Developers Pvt. Ltd.
- c) Patel Holdings Ltd.
- d) Wall Street Derivatives and Financial Services (India) Pvt. Ltd.
- e) Natasha Constructions Pvt. Ltd.
- f) Natasha Homes Pvt. Ltd.
- g) Natasha Construction Projects Pvt. Ltd.
- h) A. S. Patel Trust
- i) One Capitall Ltd. (till 03.02.2020)
- j) Goldman (Patel Family) Beneficiaries Trust.

Notes on Financial Statements for the Year Ended 31st March, 2021

(Amount in ₹)

Sr. No.	Particulars	A		B		C		D	
		20-21	19-20	20-21	19-20	20-21	19-20	20-21	19-20
Transactions during the year									
1.	Rent Received	--	--	--	--	--	--	--	1,18,920
2.	Consultancy Fees	--	--	35,00,000	40,00,000	--	--	--	--
3.	Remuneration Paid	--	--	--	--	84,85,887	2,01,58,142	--	--
4.	Inter Corporate Deposit Taken	--	--	--	--	--	--	--	2,00,00,000
5.	Interest on ICD Taken	--	--	--	--	--	--	--	2,33,333
6.	Inter Corporate Deposit Repaid	--	--	--	--	--	--	2,00,00,000	--
Balance as at									
7.	Property Deposit Given								
	A S Patel Trust	--	--	--	--	--	--	1,00,00,000	1,00,00,000
8.	Consultancy Fees Payable								
	Mr. A. S. Patel	--	--	46,19,583	23,26,838	--	--	--	--
9.	Remuneration Payable	--	--	--	--	5,49,769	2,14,705	--	--
10.	Inter Corporate Deposit Taken								
	Natasha Construction Projects Pvt. Ltd.	--	--	--	--	--	--	--	2,00,00,000
11.	Interest on ICD Payable								
	Natasha Construction Projects Pvt. Ltd.	--	--	--	--	--	--	2,09,999	2,09,999

Above figures are excluding GST wherever applicable.

NOTES :

- i. The godown deposit is treated as property deposit pending final outcome of application filed by the Company for repossession in the Court of Additional Rent Controller , Central District, Tiz Hazari Court, New Delhi.
 - ii. There are no provisions for doubtful debts or amounts written off or written back during the year for debts due from or to related parties.
41. 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. 34.
 42. 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.
 43. Statement of Other Comprehensive Income

(Amount in ₹)

Particulars	FY 2020 - 21	FY 2019 - 20
Item that will not be reclassified to Statement of Profit and Loss		
Leave Encashment	45,44,608	56,09,535
Gratuity Expense	67,33,426	4,49,94,207
(Gain)/Loss on FVTOCI on Investments	(2,12,15,097)	2,54,51,252
Total	(99,37,062)	7,60,54,994

Notes on Financial Statements for the Year Ended 31st March, 2021

44. Slump Sale

As mentioned in Note 1A, The Company was involved in the business of Surface Transport under Patel Roadways Division. During the previous 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 ₹ 3,400/- Lakhs with effect from 1st July, 2019.

Details of Assets and Liabilities transferred on Slump Sale were 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 has been prepared after giving effect to the slump sale of the Business Undertaking and in accordance with Schedule III to the Companies Act, 2013.

45. Right Issue

During the year, the Company issued 95,00,000 Equity shares @Rs 10/- per share to eligible existing shareholders. The main object of the issue was for repayment of secured loans/ unsecured loans availed by the Company and for other general corporate purposes. The issue opened on 26th February,2021 and closed on 12th March,2021 and allotment was made on 22nd March, 2021.

Proceeds from the issue have been utilised upto March,31,2021 in the following manner :

Amount in ₹

Particulars	Amount
Amount Received against Right Issue	9,50,00,000
Amount Utilized against Rights Share issue expenses	6,78,899
Unutilized proceeds in Bank Account	9,43,21,101

46. In view of the outbreak of 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.

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

As per our report of even date

For Hitesh Shah & Associates

Chartered Accountants
(Registration No. 103716W)

For and on behalf of the Board of Directors,

HITESH SHAH
Partner
Membership No. 040999

Hari Nair
Managing Director
DIN-02362137

Farukh Wadia
Director
DIN-00097162

Mumbai,
Dated : 26th May, 2021

Sweta Parekh
Company Secretary

Deepak Keni
Chief Financial Officer

HITESH SHAH & ASSOCIATES

CHARTERED ACCOUNTANTS

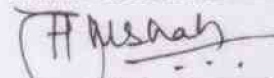
Office No.208, 2nd Floor, Plot No.26, Shalimar Miracle, Opp. City Centre, Next to Sardar Patel Hall, Jawahar Nagar, Goregaon (W), Mumbai-400 062. Tel : 28745501 / 28744782. Mobile No. 98211 40636
Email : ca.hsa1988@gmail.com / hiteshshahassociates@gmail.com

Independent Auditor's Review Report

To the Board of Directors of
Patel Integrated Logistics Ltd

1. We have reviewed the accompanying statement of unaudited financial results (the statement) of **PATEL INTEGRATED LOGISTICS LTD** ('the company') for the quarter ended June 30, 2021 and year to date from April 1, 2021 to June 30, 2021 (the statement) attached herewith, being submitted by the company pursuant to regulation 33 of the securities and exchange board of India (listing obligations and Disclosure requirements) Regulations, 2015.
2. This statement is the responsibility of the Company's Management and is subject to approval by the Board of Directors of the company at their meeting to be held on August 11, 2021. This statement has been prepared on the basis of the related interim financial statements in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 'Review on Interim Financial Statements performed by Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above nothing has come to our attention, that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and policies has not disclosed the information required to be disclosed in the terms of the securities and exchange board of India (listing obligations and Disclosure requirements) Regulations, 2015, including the manner in which it is to be disclosed or that it contains any material misstatement.

For *Hitesh Shah & Associates*
Chartered Accountants


(Hitesh Shah, Partner)

M. No. 040999

Mumbai

August 11, 2021.

UDIN: 21040999AAAAFB9719



PATEL INTEGRATED LOGISTICS LIMITED

Regd. Office: "Patel House", 5th Floor, 48-Gazdarbandh, North Avenue Road, Santacruz (West), Mumbai – 400 054.

Tel No.:022-26050021, 26052915, Fax No.:022-26052554, Website: www.patel-india.com CIN:

L71110MH1962PLC012396

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2021

(Rs. in Lakhs)

Sr No	Particulars	Quarter Ended		Year Ended	
		30.06.2021	31.03.2021	30.06.2020	31.03.2021
		Unaudited	Audited	Unaudited	Audited
1	Income from Operations	5106.92	7214.18	1588.09	21224.93
	Other Operating Income	--	--	--	--
	Total Income from operations	5106.92	7214.18	1588.09	21224.93
2	Other Income	68.81	76.84	84.41	505.36
3	Total Revenue	5175.73	7291.02	1672.50	21730.29
4	Expenses				
	a) Operation cost	4659.97	6384.53	1192.35	18987.33
	b) Employees benefits Expenses	266.74	342.19	248.91	1133.92
	c) Finance Costs	150.48	194.59	174.08	758.79
	d) Depreciation and amortization Expenses	54.83	58.38	63.84	235.48
	e) Administrative & Other Expenses	122.45	178.56	108.62	587.60
5	Total Expenses	5254.47	7158.25	1787.80	21703.12
6	Profit/(Loss) before exceptional and extraordinary items and Tax (3-5)	(78.74)	132.77	(115.30)	27.17
7	Exceptional items	--	--	--	--
8	Profit before Tax (6+7)	(78.74)	132.77	(115.30)	27.17
9	Tax Expense				
	a) Current	--	--	--	--
	b) Deferred	2.07	34.43	(16.50)	22.65
	c) (Excess) / Short Provision for Taxation of earlier years	--	--	(0.97)	(0.97)
10	Net Profit for the period (8-9)	(80.81)	98.34	(97.83)	5.49
11	Other Comprehensive Income net of taxes (OCI)				
	i) Items that will not be reclassified to Profit and Loss (net of tax)	71.09	4.58	7.12	99.37
12	Total Comprehensive Income (after Tax) (10+11)	(9.72)	102.92	(90.71)	104.86
13	Paid-up Equity Share Capital (Face Value of each Equity Share is Rs.10/-)	2603.59	2603.59	1653.59	2603.59
14	Reserves excluding Revaluation Reserve	--	--	--	9058.02
15	Earnings per share (EPS for 3 months period is not annualised)				
	a) Basic (in ₹)	(0.31)	0.59	(0.59)	0.03
	b) Diluted (in ₹)	(0.31)	0.59	(0.59)	0.03



Notes:

1. The results of the quarter ended 30th June, 2021 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 11th August, 2021. They have been subjected to limited review by the statutory auditors.
2. For the quarter ended 30th June year to date figures are not given as they are identical with quarterly figures.
3. The rapid spread of the Covid-19 pandemic globally followed by lockdown in the country has impacted our performance during the quarter. The company has put in various measures to protect its employees as well as customers from the spread of infection by introducing social distancing, wearing of masks, frequent sanitisation of facilities and regular training to employees for spreading awareness. The company has been operating its truncated services all through the lockdown and gradually scaling up its operations in compliance with the guidelines issued by the central/state and local authorities from time to time.
4. During the previous year the company raised Rs 9.50 Crores through right issue of Rs 95,00,000 shares. Out of the proceeds of Rs 9.50 Crores , the Company has utilized Rs 3.02 Crores during the quarter ended 30th June,2021 and total utilization till 30th June,2021 is Rs 3.10 Crores . This money is utilized towards right issue expenses of Rs 0.47 Crores and repayment of Fixed Deposit of Rs 2.63 Crores .The unutilized balance amount of Rs 6.40 Crores is in Fixed Deposits and Current Account with Banks.
5. Previous period's and year's figures have been recast / restated wherever necessary.

PLACE: MUMBAI

DATE : 11.08.2021



By Order of the Board
For PATEL INTEGRATED LOGISTICS LIMITED


(HARI NAIR)
MANAGING DIRECTOR

OTHER FINANCIAL INFORMATION

Statement of Accounting Ratios

The following table sets forth the accounting ratios as at March 31, 2021 and March 31, 2020:

(All Amounts in Rupees, unless stated otherwise)

Particulars		As at 31st Mar 21	As at 31st Mar 20
A	Net Worth	1,16,61,60,967	1,19,03,04,665
B	Profit attributable to the owners of the equity	5,49,435	10,74,06,119
C	Number of the shares outstanding at the end of the year	2,60,35,923	1,65,35,923
	Weighted Number of the shares outstanding at the end of the year		
D	- for basic earnings per share	1,67,96,197	1,65,35,923
E	- for diluted earnings per share	2,60,35,923	2,60,35,923
F	Basic earnings per share (B/D)	0.03	6.50
G	Diluted earnings per share (considering earlier rights issue) (B/E)	0.02	4.13
H	Return on net worth (%) (B/A)	0.05%	9.02%
	Net assets value per share of Rs.10 each		
I	- based on weighted average number of shares, considering rights issue concluded in FY 2021 (A/D)	69.43	71.98
J	- assuming actual number of equity shares with fully diluted capital in prior years (A/E)	44.79	45.72
K	EBITDA	10,21,44,580	14,55,93,967
L	Face value	10	10

Notes:

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

Basic earnings per share	$\frac{\text{Net profit, attributable to the owners of the company}}{\text{Weighted average no. of equity shares during the year}}$
Diluted earnings per share	$\frac{\text{Net profit, attributable to the owners of the company}}{\text{Weighted average no. of dilutive equity shares during the year}}$
Return on net worth (%)	$\frac{\text{Net profit, attributable to the owners of the company}}{\text{Net Worth}}$

	Net worth, including share capital and reserves and surplus at the end of the year
Net asset value per equity share	<u>Net worth, including share capital and reserves and surplus 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

CAPITALIZATION STATEMENT

Statement of Capitalisation

Particulars		Pre Issue as at 31st Mar 2021	As adjusted for the issue (Post Issue)*
Borrowings:			
Current borrowings	A	43,06,28,954	--
Non-current borrowings	B	18,76,49,922	--
Total borrowings	C=A+B	61,82,78,876	--
Shareholder's fund (Net worth)			
Share Capital	C	26,03,59,230	--
Other Equity	D	90,58,01,737	--
Total shareholder's fund(Net worth)	E=C+D	1,16,61,60,967	--
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	--

**To be updated in the Letter of Offer*

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 Audited Financial Information of the company

STATEMENT OF MATERIAL DEVELOPMENT

Except as stated in this Draft Letter of Offer and as disclosed below, to our knowledge, no circumstances have arisen since March 31, 2021, which materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities:

- The Board of Directors of the Company had, at its meeting held on August 11, 2021, *inter-alia*, considered and approved the raising of funds through issue of equity shares of face value of ₹ 10 each for an aggregate amount of up to ₹ 4,000 Lakhs on a rights basis to the eligible equity shareholders of the Company.
- The Company has declared a net loss of ₹ 80.81 lakhs for the quarter ended June 30, 2021.
- Ms. Nishqa Pillai, non-executive director on the Board of the Company resigned from the directorship of the Company with effect from August 9, 2021 due to personal reasons and certain pre-occupations.
- Payment of dividend of 1% on the equity shares of the Company having face value of ₹ 10. The total dividend paid amounted to ₹ 26.03 lakhs for the year ended March 31, 2021.
- Mr. Ramakant Krishnajirao Kadam, an independent director of our Company has been reappointed as an independent director for a period of three years with effect from June 30, 2021.

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 Financial Statements for Financial Years 2021, 2020 and our Unaudited Financial Results as of and for the three months period ended June 30, 2021 and June 30, 2020 all prepared in accordance with the Companies Act and Ind AS, including the schedules, annexure, notes thereto and the reports thereon, included in the section titled "Financial Information" on page 92 of this Draft Letter of Offer. Unless otherwise stated, financial information used in this section is derived from the 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 17 and 22, 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	Three months ended June 2021		Three months ended June 2020		Fiscal 2021 Standalone		Fiscal 2020 Standalone	
	Amount in ₹	%	Amount in ₹	%	Amount in ₹	%	Amount in ₹	%
i. Revenue from Operations								
Freight	-	-	3,00,00,000	17.94	3,07,20,000	1.41	29,09,21,076	8.22
Co Loading and Cargo Income	48,93,63,007	94.55	12,83,18,168	76.72	2,04,48,07,129	94.10	2,83,72,48,530	80.18
Commission	2,13,28,566	4.12	4,90,757	0.29	4,69,65,616	2.16	33,98,92,443	9.60
Other Operating Income	-	-	-	-	-	-	60,30,674	0.17
Total Revenue from Operations (i)	51,06,91,573	98.67	15,88,08,925	94.95	2,12,24,92,745	97.67	3,47,40,92,723	98.17
ii. Other Income								
Interest Income	52,12,252	1.01	63,73,490	3.81	1,48,90,773	0.69	99,59,260	0.28
Dividend Income	25,957	0.01	1,25,166	0.07	16,33,216	0.08	50,47,374	0.14
Other Non-Operating Income	16,43,113	0.32	19,42,595	1.16	3,40,12,480	1.57	4,96,49,159	1.40
ii. Total Other Income	68,81,322	1.33	84,41,251	5.05	5,05,36,469	2.33	6,46,55,793	1.83
Total Income (i+ii)	51,75,72,895	100.00	16,72,50,176	100.00	2,17,30,29,214	100.00	3,53,87,48,516	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 94.55%, 76.72%, 94.10% and 80.18%, of our revenue for the three months ended June 2021, three months ended June 2020, Financial Year 2021 and Financial Year 2020 respectively.

Other Income

Our other income comprises of Interest Income, Dividend Income and other non-operating income. Our other income accounted for 1.33%, 5.05%, 2.33% and 1.83% of our revenue for the three months ended June 2021, three months ended June 2020, Financial Year 2021 and Financial Year 2020 respectively.

Particulars	Three months ended June 2021		Three months ended June 2020		Fiscal 2021		Fiscal 2020	
	(Standalone)		(Standalone)		(Standalone)		(Standalone)	
	Amount in ₹	% of Revenue	Amount in ₹	% of Revenue	Amount in ₹	% of Revenue	Amount in ₹	% of Revenue
Income								
Revenue from Operations	51,06,91,573	98.67	15,88,09,000	94.95	2,12,24,92,745	97.67	3,47,40,92,723	98.17
Other income	68,81,322	1.33	84,41,000	5.05	5,05,36,469	2.33	6,46,55,793	1.83
Total Revenue	51,75,72,895	100.00	16,72,50,000-	100.00	2,17,30,29,214	100.00	3,53,87,48,516	100.00
Expenses								
Operating Cost	46,59,97,135	90.04	11,92,35,000	71.29	1,89,87,32,997	87.38	3,08,16,66,269	87.08
Employee benefits expense	2,66,74,284	5.15	2,48,91,000	14.88	11,33,92,235	5.22	18,79,83,868	5.31
Finance costs	1,50,47,714	2.91	1,74,08,000	10.41	7,58,78,823	3.49	7,38,90,067	2.09
Depreciation and amortisation expense	54,82,567	1.06	63,84,000	3.82	2,35,48,078	1.08	3,90,56,867	1.10
Other expenses	1,22,45,448	2.37	1,08,62,000	6.49	5,87,59,402	2.70	12,35,04,412	3.49
Total Expenses	52,54,47,148	101.52	17,87,80,000	106.89	2,17,03,11,535	99.87	3,50,61,01,483	99.08
Profit/(loss) before extraordinary, exceptional items and tax	-78,74,253	-1.52	-1,15,30,000-	-6.89	27,17,679	0.13	3,26,47,033	0.92
Exceptional items							9,57,28,391	2.71
Profit before tax	-78,74,253	-1.52	-1,15,30,000-	-6.89	27,17,679	0.13	12,83,75,424	3.63
Current Tax					-		2,70,69,000	0.76
Deferred Tax	2,06,826	0.04	-16,50,000	0.99	22,65,077	0.10	-60,99,695	-0.17
(Excess) / Short Provision of Income Tax for earlier years			-97,000	-0.06	-96,833	0.00		
Other Comprehensive Income (OCI) net of taxes	71,09,000	1.37	7,12,000	0.43	99,37,062	0.46	-7,03,85,994	-1.99
Total comprehensive Income for the period	9,72,000	0.19	-90,71,000	-5.42	1,04,86,497	0.48	3,70,20,125	1.05
Profit for the year	-80,81,079	-1.56	-97,83,000	-5.85	5,49,435	0.03	10,74,06,119	3.04

Expenses:

Operating cost

Operating cost comprises of taxes and permit, sundry airport expenses, line haul transportation charges, cargo freight charges, handling charges, packing material expenses, miscellaneous operating expenses. Operating cost accounted for 90.04%, 71.29%, 87.38% and 87.08% of our revenue for the three months period ended June 2021, three months period ended June 2020, the Financial Year 2021 and Financial Year 2020 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 5.15%, 14.88%, 5.22% and 5.31% of our revenue for the three months ended period June 2021, three months period ended June 2020, Financial Year 2021, Financial Year 2020 respectively.

Finance costs

Finance cost include interest expense and other borrowing costs. Finance costs accounted for 2.91%, 10.41%, 3.49% and 2.09% of our revenue for the three months period ended June 2021, three months period ended June 2020, Financial Year 2021, Financial Year 2020 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 1.06%, 3.82%, 1.08% and 1.10% of our revenue for the three months period ended June 2021, three months period ended June 2020, Financial Year 2021 and Financial Year 2020 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. Other expenses accounted for 2.37%, 6.49%, 2.70% and 3.49 % of our revenue for the three months period ended June 2021, three months period ended June 2020, Financial Year 2021, Financial Year 2020 respectively.

Three months period ended June 2021 compared with Three months ended period June 2021.

Total revenue

Our total revenue, which comprised of revenue from operations and other income, for three months period ended June 2021 was ₹ 51,75,72,895 as compared to ₹ 16,72,50,000 for three months period ended June 2020, representing a increase of 209.46%. This was primarily due to an increase in our revenue from operations.

Revenue from Operations

Our revenue from operations increased by ₹ 35,18,82,573 or by 221.58% from ₹ 15,88,09,000 in the three months period ended June 2020 to ₹ 51,06,91,573 in the three months period ended June 2021. This increase was primarily driven by increase in revenues from Co Loading and Cargo Income aided by revenue from commission.

Other Income

Our other income decreased by ₹ 15,59,678 or by (18.48) % from ₹ 84,41,000 in the three months period ended June 2020 to ₹ 68,81,322 in the three months period ended June 2021. This decrease was driven by decrease in interest income and other non-operating income.

Expenditure

Total expenses increased by ₹ 34,66,67,148 or by 193.91% from ₹ 17,87,80,000 in the three months period ended June 2020 to ₹ 52,54,47,148 in the three months period ended June 2021. This increase was primarily due to increase in expenditure related to operating cost, employee benefits expense and other expenses.

Operating cost

Our Operating cost increased by ₹ 34,67,62,135 or by 290.82% from ₹ 11,92,35,000 in the three months period ended June 2020 to ₹ 46,59,97,135 in the three months period ended June 2021. This was primarily due to a increase in Cargo freight charges by ₹ 32,88,06,339.33 and handling charges by ₹ 1,38,19,734.18.

Employee benefits expense

Employee benefits expense increased by ₹17,83,284 or by 7.16% from ₹ 2,48,91,000 in the three months period ended June 2020 to ₹ 2,66,74,284 in the three months period ended June 2021. This was primarily due to a general increase in the salaries and wages by ₹ 19,09,414 and increase in staff welfare expenses by ₹1,75,064.

Finance costs

Finance costs decreased by ₹ -23,60,286 or by (13.56)% from ₹ 1,74,08,000 in the three months period ended June 2020 to ₹ 1,50,47,714 in the three months period ended June 2021. This decrease in finance costs was primarily on account of decrease in interest expenses by ₹ -29,36,125.19. Finance cost contributed 2.91% of the total revenues for the three months period ended June 2021 vis-à-vis 10.41% of the total revenues for the three months period ended June 2020.

Depreciation and amortisation expense

Without any major addition in the fleet/assets of our Company, Our depreciation and amortization expense decreased by ₹ -9,01,433 or by (14.12)% from ₹ 63,84,000 in the three months period ended June 2020 to ₹ 54,82,567 in the three months period ended June 2021.

Other expenses

Other expenses increased by ₹ 13,83,448 or by 12.74% from ₹ 1,08,62,000 in the three months period ended June 2020 to ₹ 1,22,45,448 in the three months period ended June 2021.

Profit before tax

In light of above discussions, our profit before tax increased by ₹ 36,55,747 or by 31.71% from ₹ (1,15,30,000) in the three months period ended June 2020 to ₹ (78,74,253) in the three months period ended June 2021.

Tax expense

Our total tax expense increased by ₹ 19,53,826 or by 111.84% from ₹ (17,47,000) in the three months period ended June 2020 to ₹ 2,06,826 in the three months period ended June 2021.

Profit

For the various reasons discussed above, the profit for the three months period ended June 30, 2020 was ₹(97,83,000) as compared to ₹ (80,81,079) for the three months period ended June 30, 2021.

Financial Year 2021 compared with Financial Year 2020

Total revenue

Our total revenue, which comprised of revenue from operations and other income, for the Financial Year 2021, was ₹2,17,30,29,214 as compared to ₹3,53,87,48,516 for the Financial Year 2020, representing a decrease of (38.59)%. This was due to decrease in revenue from revenue from operations and other income.

Revenue from Operations

Our revenue from operations decreased by ₹1,35,15,99,978 or by (38.91)% from ₹3,47,40,92,723 in Financial Year 2020 to ₹2,12,24,92,745 in Financial Year 2021. This decrease was primarily due to decrease in revenue from freight services, co loading and cargo income, commission and other operating income.

Other Income

Our other income decreased by ₹1,41,19,324 or by (21.84)% from ₹6,46,55,793 in Financial Year 2020 to ₹5,05,36,469 in Financial Year 2021. This decrease was driven by decrease in other non-operating income and dividend income.

Expenditure

Our Expenditure decreased by ₹1,33,57,89,949 or by (38.10)% from ₹3,50,61,01,484 in Financial Year 2020 to ₹2,17,03,11,535 in Financial Year 2021. This decrease was primarily due to decrease in expenditure related to operating cost, employee benefits expense, depreciation and amortisation expense and other expenses.

Operating cost

Our Operating cost decreased by ₹1,18,29,33,272 or by (38.39)% from ₹3,08,16,66,269 in Financial Year 2020 to ₹1,89,87,32,997 in Financial Year 2021. This decrease was due to significant decrease in Cargo freight charges and handling charges Truck Hire charges, Truck operational expenses, truck repairs and maintenance expenses and Diesel Oil and Grease expenses decreased by (100) % in Financial Year 2021. Decrease in other expenses such as Sundry airport expenses, line haul transportation expenses, miscellaneous operating expenses also attributed to decrease in overall operating cost in Financial Year 2021.

Employee benefits expense

Employee benefits expense decreased by ₹7,45,91,633 or by (39.68)% from ₹18,79,83,868 in Financial Year 2020 to ₹11,33,92,235 in Financial Year 2021. This was primarily due to decrease in salaries and wages and staff related expenses by ₹5,81,27,873 and ₹1,17,75,324 respectively. Contribution to Provident and Other funds were decreased by ₹46,88,436 or by (32.91)% from ₹1,42,47,642 in Financial Year 2020 to ₹95,59,206 in Financial Year 2021. Employee benefit expenses contributed 5.22% of the total revenues for the Financial Year 2021 vis-à-vis 5.31% of the total revenues for the Financial Year 2020.

Finance costs

Finance costs increased by ₹19,88,756 or by 2.69% from ₹7,38,90,067 in Financial Year 2020 to ₹7,58,78,823 in Financial Year 2021. This increase in finance costs was primarily on account of increase in interest expenses and other borrowing costs. Finance cost contributed 3.49% of the total revenues for the Financial Year 2021 vis-à-vis 2.09% of the total revenues for the Financial Year 2020.

Depreciation and amortisation expense

Without any major addition in the fleet/assets of our Company, Our depreciation and amortization expense decreased by ₹1,55,08,789 or (39.71)%, from ₹3,90,56,867 in Financial Year 2020 to ₹2,35,48,078 in Financial Year 2021.

Other expenses

Accordingly, other expenses decreased by ₹6,47,45,010 or by (52.42) % from ₹12,35,04,412 in Financial Year 2020 to ₹5,87,59,402 in Financial Year 2021. This was primarily due a decrease of (i) ₹1,02,00,207 in rent expenses, and (ii) ₹2,86,06,426 in miscellaneous expenses amongst other expenses.

Profit before tax

In light of above discussions, our profit before tax decreased by ₹12,56,57,745 or by (97.88)% from ₹12,83,75,424 in Financial Year 2020 to ₹27,17,679 in Financial Year 2021.

Tax expense

Our total tax expense decreased by ₹1,88,01,061 or by (89.66)% from ₹2,09,69,305 in Financial Year 2020 to ₹ 21,68,244 in Financial Year 2021 due to decrease in profits before tax.

Profit

For the various reasons discussed above, and following adjustments for tax expense, we recorded a decrease in our profit by ₹- 10,68,56,685 or by (99.49)% from ₹ 10,74,06,119 in Financial Year 2020 to ₹ 5,49,435 in Financial Year 2021. This was due to reduced revenues and no change in certain fixed expenses attributable to COVID-19 which had a significant impact on the business.

Cash Flows

The following table sets forth certain information relating to our cash flows under Ind AS in Financial Year 2021 and Financial Year 2020:

Particulars	As at 31 st Mar 21 (Standalone)	As at 31 st Mar 20 (Standalone)
Net cash flow from operating activities	4,54,61,621	(15,65,25,292)
Net cash flow used in investing activities	4,25,58,911	40,10,61,239
Net cash flow (used in)/from financing activities	3,11,88,987	(17,51,16,403)
Net increase in cash and cash equivalents	11,92,09,519	6,94,19,543
Cash and cash equivalents at the beginning of the year	(25,17,27,213)	(32,11,46,755)
Cash and cash equivalents at the end of the year	(13,25,17,694)	(25,17,27,212)

Net cash generated from operating activities

Net cash generated from operating activities in the Financial Year 2021 was ₹4,54,61,621 and our profit before tax that period was ₹27,17,679. The difference was on account of loss on sale of assets of ₹(1,31,04,080), Depreciation of ₹2,35,48,078, Dividend income of ₹(16,33,216), Interest income of ₹(1,48,90,773), finance cost of ₹7,58,78,823 and thereafter change in trade receivables and trade payables of ₹17,92,48,396 and ₹(26,81,81,767) respectively, resulting in gross cash generated at operations at ₹4,54,61,621.

Net cash generated from operating activities in the Financial Year 2020 was ₹ (15,65,25,292) 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 ₹2,55,03,267 respectively, resulting in gross cash generated from operations at ₹(15,65,25,292).

Net cash used in investing activities

In the Financial Year 2021, our net cash used in investing activities was ₹4,25,58,911. This was on account of (i) sale of fixed assets of ₹1,77,87,664 (ii) sale of current/ non-current investment (net) of ₹3,69,46,153. We also received interest income of ₹1,45,17,750 and dividend income of ₹16,33,216 during the said year.

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.

Net cash generated from/ used in financing activities

In the Financial Year 2021, our net cash generated from financing activities was ₹3,11,88,987. This was primarily due to proceeds from Long term Borrowings (net) of ₹1,81,50,344, proceeds from issue of equity shares of ₹9,50,00,000 proceeds of ₹2,14,000 from public deposits

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 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.

Contingent liabilities

As of March 31, 2021, the estimated amount of contingent liabilities and not provided for are:

1. Estimated amount of contracts remaining to be executed on capital expenditure and not provided for ₹58,21,398.
2. Counter guarantees given to Banks against credit facilities ₹5,16,15,000/-.
3. Claims against the Company not acknowledged as debts ₹6,25,92,675/-

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 – Audited Financial Statements – Notes to Audited Financial Statements – Note 40 – Related party disclosures*” on page 125.

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 2020 and Financial Year 2021.

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 ₹6,25,92,675/- as on March 31, 2021.

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 22, 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 22, 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 relations hip 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 this Draft Letter of Offer, 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 69.

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 22 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 69 and 79 respectively.

11. Significant Developments after March 31, 2021 that may affect our results of operations

Except as stated below, 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:

- The Board of Directors of the Company has, at its meeting held on August 11, 2021, *inter-alia*, considered and approved the raising of funds through issue of equity shares of face value of ₹ 10 each for an aggregate amount of up to ₹ 4,000 Lakhs on a rights basis to the eligible equity shareholders of the Company.
- The Company has declared a net loss of ₹ 80.81 lakhs for the quarter ended June 30, 2021.
- Ms. Nishqa Pillai, non-executive director on the Board of the Company resigned from the directorship of the Company with effect from August 9, 2021 due to personal reasons and certain pre-occupations.
- Payment of dividend of 1% on the equity shares of the Company having face value of ₹ 10. The total dividend paid amounted to ₹ 26.03 lakhs for the year ended March 31, 2021.
- Mr. Ramakant Krishnajirao Kadam, an independent director of our Company has been reappointed as an independent director for a period of three years with effect from June 30, 2021.

For further information, see “*Statement of Material Developments*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operation*”, “*Our Business*” and “*Risk Factors*” on pages 133, 134, 79 and 22 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 during major part of the Year. 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.

SECTION VI - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding litigation with respect to (i) issues of moral turpitude or criminal liability on part of our Company; (ii) material violations of statutory regulations by our Company; (iii) economic offences where proceedings have been initiated against our Company; (iv) any pending matters which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position; and (v) other litigation, including civil or tax litigation proceedings, which involves an amount in excess of the Materiality Threshold (as defined below) considered material in terms of (a) the “Policy for Determination of Materiality of Events and Information” adopted by our Board, in accordance with the requirements under Regulation 30 of the SEBI Listing Regulations, and (b) the materiality policy adopted by the Board of Directors of our Company through its resolution dated September 23, 2021 for the purpose of litigation disclosures in this Draft Letter of offer (“**Materiality Policy**”)

In this regard, please note the following:

1. Any outstanding litigation involving our Company i.e., proceedings other than litigation involving issues of moral turpitude, criminal liability, material violation of statutory regulations or proceedings related to economic offences, shall be considered material and shall be disclosed in this Draft Letter of Offer, if (i) the monetary claim involved in such proceedings is an amount equal to or exceeding 5% of the revenue from operations of the Company as per the standalone audited financial statements of the Company for the immediately preceding financial year (being ₹ 1,005 lakhs i.e. 5 % of 21,200 lakhs as on March 31, 2021) (“**Materiality Threshold**”) and/or (ii) is otherwise determined to be material in terms of Materiality Policy.
2. Pre-litigation notices received by our Company from third parties (excluding notices pertaining to any offence involving issued of moral turpitude, criminal liability and material violation of statutory regulations or proceedings related to economic offences) shall not be evaluated for materiality until such time our Company is impleaded as defendants in litigation proceedings before nay judicial forum.

All terms defined herein in a particular litigation disclosure pertain to that litigation only.

Proceedings involving issues of moral turpitude or criminal liability on the part of our Company

- 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:

Sr. 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 dishonor 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 transshipped 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.

Proceedings involving issues of moral turpitude or criminal liability initiated by our Company

- a) A complaint bearing number 5801120 of 2019 was filed by our Company before Hon'ble Chief Metropolitan Magistrate Mumbai (Bandra) against Jupiter Landmark INC (**"Accused"**) under Section 138 of Negotiable Instruments Act, 1881 (the complaint hereinafter referred to as **"Complaint"**) for dishonour of cheque of ₹ 5.0 lakhs issued by the Accused to our Company. The said cheque was issued for payment of rent of premises rented to the Accused. The matter is presently pending before Hon'ble Chief Metropolitan Magistrate Mumbai (Bandra) and is listed for hearing on December 13, 2021.
- b) 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 Court has issued process against the Accused and the Complaint is presently pending Chief Metropolitan Magistrate.
- c) A complaint bearing number 87 of 2019 was filed by our Company before Metropolitan Magistrate at Mumbai (Bandra) against Jupiter Landmark INC (**"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 ₹ 5.25 lakhs issued by the Accused to our Company for the services provided by our Company. The complaint is presently pending before the Hon'ble Metropolitan Magistrate Mumbai (Bandra) and is listed for hearing on December 2, 2021.
- d) A complaint 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 Court has issued process against the Accused and the Complaint is presently pending Hon'ble Chief Metropolitan Magistrate.
- e) A complaint bearing number 4167 of 2015 was filed by our Company before the Metropolitan Magistrate at Mumbai (Bandra) against Venkateshwara Logistic (**"Accused"**) and its proprietor M. Pulakesavan 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. Court has issued process against the Accused and the Complaint is presently pending before the Metropolitan Magistrate.
- f) A complaint bearing number 278 of 2016 was filed by our Company before the Metropolitan Magistrate at Mumbai (Bandra) against Venkateshwara Logistic (**"Accused"**) and its proprietor M. Pulakesavan 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 presently pending before the Metropolitan Magistrate.

- g) A complaint bearing number 330 of 2019 was filed by our Company before Hon'ble Judicial Magistrate First Class at Mumbai (Bandra) against Overnite Express Ltd. (**"Accused"**) under section 138 of Negotiable Instruments Act, 1881 (the complaint hereinafter referred to as the **"Complaint"**) for dishonour of cheque of amount ₹ 100 lakhs issued by Accused to our Company. The verification and substitution application dated February 13, 2020 filed by our Company was allowed by the Court and the matter is presently pending.
- h) 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 Instruments Act, 1881 (the complaint hereinafter referred to as the **"Complaint"**) for dishonour of cheque of an amount of ₹ 4.00 lakhs issued by the Accused to our Company for the services rendered by our Company. The Complaint is presently pending before the Metropolitan Magistrate.
- i) A complaint bearing number 6607 of 2019 was filed by our Company before the Additional Chief Metropolitan Magistrate (Ahmedabad) against Krish Enterprises and Ors. (**the "Accused"**) under Sections 138 and 141 of the Negotiable Instruments Act, 1881 (the complaint hereinafter referred to as the **"Complaint"**) for dishonour of cheque of amount ₹ 3.00 lakhs issued by the Accused to our Company for services rendered by our Company. The Court has issued process against the Accused and the matter is presently pending before Hon'ble Additional Chief Metropolitan Magistrate
- j) A complaint bearing number 701107 of 2014 was filed by our Company before the Metropolitan Magistrate at Mumbai (Bandra) against Precision Engineers and Fabricators Ltd and Ors. (**the "Accused"**) under Section 138 and 141 of the Negotiable Instruments Act, 1881 (the complaint hereinafter referred to as the **"Complaint"**) for dishonour of cheque of an amount of ₹ 14.00 lakhs issued by the Accused to our Company. The matter is currently pending.

Proceedings involving material violations of statutory regulations by our Company

Nil

Economic offences where proceedings have been initiated against our Company

Nil

Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Material Policy and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company.

Nil

Tax Proceedings

There are no tax proceedings involving our Company which exceed the Materiality Threshold.

Civil Proceedings

There are no civil proceedings involving our Company which exceed the Materiality Threshold.

Other Litigation proceedings considered to be material by our Company's Board of Directors.

- g) 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 8, 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 filed an appeal bearing number RFA 958 of 2018 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.

- h) 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. On July 30, 2021, the operational creditor and our Company executed consent terms to amicably settle the claim of Operational Creditor. The said consent terms have filed by our Company before the Hon'ble National Company Law Tribunal, but the same have not yet been taken on record. The matter is presently pending before the Hon'ble National Company Law Tribunal.
- i) 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 ejectment before the Additional City Civil Judge at Bangalore, which was on August 21, 2020 decreed in favour of the Defendants, directing the Plaintiff to vacate 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.
- j) Our Company has 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.
- k) 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.

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 August 11, 2021, 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, i.e. [●]. On Application, Investors will have to pay ₹[●] per Rights Equity Share, which constitutes 25% of the Issue Price and the balance ₹[●] per Rights Equity Share which constitutes 75% of the Issue Price, will have to be paid, on the First and Final Call, as determined by our Board at its sole discretion.

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 and NSE, respectively for listing of the Rights Equity Shares to be Allotted pursuant to the Issue.

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Equity Shareholders of our Company. For details, see "*Terms of the Issue*" beginning on page 158.

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. 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 and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B 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 us, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchanges.

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 us, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchanges.

Disclaimer Clause of CSE

Our Company does not intend to list the Rights Equity Shares on the trading platform of the Calcutta 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 and NSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

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 (“**Issue Materials**”) 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 the Issue Materials 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 Issue Materials 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 the Issue Material 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, DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Rights Equity Shares and/ or the Rights Entitlements is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is not in the United States and eligible to subscribe for the Rights Equity Shares and/ or the Rights Entitlements under applicable securities laws, and such person is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes

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

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.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission (the “**Securities Act**”), any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Draft Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

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 Promoter, Directors, Key Managerial Personnel, legal advisor, the Registrar to the Issue to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer.

Our Company has received written consent dated September 21, 2021 from our Statutory Auditor, namely, M/s. Hitesh Shah & Associates, Chartered Accountants for inclusion of their report, dated September 21, 2021 on the Audited 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 September 21, 2021 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 September 21, 2021 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 September 21, 2021 on the Audited Financial Information and the Statement of Tax Benefits dated September 21, 2021 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 one (1) rights 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.

Details of such rights issue are as listed below:

Particulars	Amount (Rs.)	Amount utilised in/upto
Total Right Issue funds received	9,50,00,000	March, 2021
Spent towards:		
1) Right issue Expenses	46,86,648	March – April, 2021
2) Public Deposit Repayment and Interest	4,29,14,190	August, 2021
3) Repayment of Bank Overdrafts	4,73,99,162	Sep, 2021
HDFC Bank ,Pali Naka, Branch Bandra Ac No 00022120000497		

The above details are certified by the statutory auditor of our Company, Hitesh Shah and Associates, Chartered Accountants, vide their certificate dated September 21, 2021.

Performance vis-à-vis objects – Last issue of listed Subsidiaries or Associates

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

Filing

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 to Rupees Fifty Crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with the Stock Exchanges and not with SEBI. However, the Letter of Offer will be submitted to 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:

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

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 this Draft Letter of Offer, 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 R-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, Circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, Circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021. As per the said circulars, all eligible shareholders shall be able to apply to this Issue through an optional mechanism (non- cash mode only), in this case being R-WAP in addition to the ASBA facility.

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, FEMA Rules, the SEBI ICDR Regulations, the SEBI Listing Regulations and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the 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, Circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021 and the MCA Circular, our Company will send the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material, through email to the email addresses and physical delivery through courier to all the Eligible Equity Shareholders who have provided their Indian addresses to our Company. This Draft Letter of Offer will be provided, only through email and courier, 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 Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- 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 and www.nseindia.com; and
- d) the Registrar's web-based application platform R-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 Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form. Eligible Shareholders, who are holding Equity Shares in physical form as on the Record Date i.e. [●], [●], can obtain details of their respective Rights Entitlements from the website of the Registrar by entering their Folio Number.

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, SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021 (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., R-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 R-WAP. Further, Investors holding Equity Shares in physical form as on the Record Date shall also not be able to subscribe to the Issue through R-WAP and therefore, will have to apply through ASBA facility only. 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 R-WAP*” on page 169 and 169 respectively.

For guidance on the Application process through R-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 R-WAP*” on page 169 of this Draft Letter of Offer.

In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021, 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, “**PATEL INTEGRATED LOGISTICS LIMITED - UNCLAIMED SECURITIES SUSPENSE 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 or (d) 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 holding Equity Shares in physical form as on the Record Date i.e. [●] are requested to provide relevant details (such as copies of self-attested PAN and details of address proof by way of uploading on Registrar website the records confirming the legal and beneficial ownership of their respective Equity Shares not later than two (2) Working Days prior to the Issue Closing Date i.e. [●] in order to be eligible to apply for this Issue. 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.

In accordance with the SEBI Rights Issue Circulars, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two (2) Working Days prior to the Issue Closing Date i.e. [●], 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.

4) *Application by Eligible Equity Shareholders holding Equity Shares in physical form:*

In accordance with the SEBI Rights Issue Circulars, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on the Record Date are required to furnish the details of their demat account along with copies of self-attested PAN and details of address proof by way of uploading on Registrar website the records confirming the legal and beneficial ownership of their respective Equity Shares at least two (2) Working Days prior to the Issue Closing Date i.e. [●], after which they can apply through ASBA facility only. Kindly note that the Equity Shareholder holding Equity Shares in physical form cannot apply through the R-WAP facility.

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*” on page 175.

- 5) Investors to kindly note that after purchasing the Rights Entitlements through On Market Renunciation / Off Market Renunciation, an Application has to be made for subscribing the Rights Equity Shares. If no application is made by the purchaser of Rights Entitlements on or before Issue Closing Date then such Rights Entitlements will get lapsed and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the amount paid to acquire the rights entitlements. For procedure of Application by shareholders who have purchased the Right Entitlement through On Market Renunciation / Off Market Renunciation, please refer to the heading titled “*Procedure for Application through the ASBA process*” on page 169 of the Draft Letter of Offer.

6) *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
- d) Request Letter to be sent by the non-resident Eligible Equity Shareholders to the Registrar at their email id: rightsissue@bigshareonline.com for updating their Indian address. The Request Letter should be accompanied by their PAN card and Address proof. Kindly note that the non-resident Equity Shareholders who do not have an Indian address are no eligible to apply for this Issue.

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.

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, 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.

Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form to the email addresses as well as to the physical 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.

This Draft Letter of Offer will be provided, through email and courier, 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. This Draft Letter of Offer, 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 Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer will be filed with with the Stock Exchanges. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, 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 this Draft Letter of Offer, 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, this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed. Accordingly, persons receiving a copy of this Draft Letter of Offer, 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 this Draft Letter of Offer, 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 this Draft Letter of Offer, 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 this Draft Letter of Offer, 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 this Draft Letter of Offer, 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 Draft Letter of Offer, 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 in the Issue. The Issue Price has been arrived at by our Company prior to the determination of the Record Date.

On Application, Investors will have to pay ₹ [●] per Rights Equity Share which constitutes 25 % of the Issue Price and the balance ₹ [●] per Rights Equity Share which constitutes [●] % of the Issue Price, will have to be paid on the First and Final Call, as determined by our Board at its sole discretion.

The Ex-Rights 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 i.e. [●].

Renunciation of Rights Entitlement

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer. For details, please see "Procedure for Renunciation of Rights Entitlements" on page 171.

In accordance with SEBI Rights Issue Circulars, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

Payment Schedule of Rights Equity Shares

The Issue price ₹ [●] per Rights Equity Share (including premium of ₹ [●] per Rights Equity Share) shall be payable as follows:

Particular	Face Value (₹ per Rights Equity Share)	Premium (₹ per Rights Equity Share)	Total (₹ per Rights Equity Share)
On Application	2.50	[●]	[●] ⁽¹⁾
On First and Final Call	7.50	[●]	[●] ⁽²⁾
Total	10.00	[●]	[●]

⁽¹⁾Constitutes 25 % of the Issue price

⁽²⁾Constitutes 75 % of the Issue price

Rights Equity Shares in respect of which the Call payable remains unpaid may be forfeited, at any time after the due date for payment of the balance amount due in accordance with the Companies Act, 2013 and our Articles of Association.

Where an Applicant has applied for Additional Rights Equity Shares and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations and the SEBI Rights Issue Circulars. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

Record date for Call and suspension of trading

Our Company would fix a Call Record Date giving notice, in advance of such period as may be prescribed under applicable law, to the Stock Exchange for the purpose of determining the list of holders of the Rights Equity Shares to whom the notice for the Call would be sent. Once the Call Record Date has been fixed, trading in the Rights Equity Shares for which the Call has been made may be suspended prior to the Call Record Date.

Procedure for Call for Rights Equity Shares

Our Company would convene a meeting of our Board to pass the required resolutions for making the First and Final Call and suitable intimation would be given by our Company to the Stock Exchange. Further, advertisements for the same will be published in (i) one English national daily newspaper; (ii) one Hindi language national daily newspaper; and (iii) one Marathi language daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is situated), all with wide circulation.

The Call shall be deemed to have been made at the time when the resolution authorising such First and Final Call is passed at the meeting of our Board. The Call may be revoked or postponed at the discretion of our Board. Pursuant to the provisions of the Articles of Association, the Investors would be given at least 14 days' notice for the payment of the Call. The payment period for the Call Money shall be kept open for 15 (fifteen) days from the date of making the Call or such extended period as may be approved by our Board at its discretion. Our Company, at its sole discretion and as it may deem fit, may send one or more reminders for the Call, and if it does not receive the Call Money as per the timelines stipulated, the defaulting holders of the Rights Equity Shares will be liable to pay interest as may be fixed by our Board unless waived or our Company may forfeit the Application Money.

Payment of Call Money

In accordance with the SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/238/2020 dated December 8, 2020 regarding additional payment mechanism (i.e. ASBA, etc.) for payment of balance money in calls for partly paid specified securities issued by the listed entity, the Investor may make payment of the Call Money using ASBA Mechanism through the Designated Branch of the SCSB or through online/ electronic through the website of the SCSBs (if made available by such SCSB) by authorizing the SCSB to block an amount, equivalent to the amount payable on Call Money, in the Investor's ASBA Account. The Investor may also use the facility of linked online trading, demat and bank account (3-in-1 type account), if provided by their broker, for

making payment of the Call Money.

Separate ISIN for Rights Equity Shares

In addition to the present ISIN for the existing Equity Shares, our Company would obtain a separate ISIN for the Rights Equity Shares for each Call, until fully paid-up. The Rights Equity Shares offered under this Issue will be traded under a separate ISIN for the period as may be applicable under the rules and regulations prior to the record date for the First and Final Call notice. The ISIN representing the Rights Equity Shares will be terminated after the Call Record Date for the First and Final Call. On payment of the final Call Money in respect of the Rights Equity Shares, such Rights Equity Shares would be fully paid-up and merged with the existing ISIN of our Equity Shares.

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 i.e. [●]. 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 this Issue shall be subject to the provisions of this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter, the Application Form and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, FEMA Rules the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment Advice. The Rights Equity Shares to be issued and allotted under this Issue shall, upon being fully paid up, rank pari passu with the existing Equity Shares, in all respects including dividends. In respect of the Rights Equity Shares, Investors are entitled to dividend in proportion to the amount paid up and their voting rights exercisable on a poll shall also be proportional to their respective share of the paid-up equity capital of our Company.

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

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in principle approval from the BSE through letter bearing reference number DCS/RIGHT/PB/FIP/1097/2020-21 dated March 18, 2021.

Our Company will apply to the Stock Exchange 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 this Issue will trade after the listing thereof.

For an applicable period, from the Call Record Date, the trading of the Rights Equity Shares would be suspended under the applicable law. The process of corporate action for crediting the fully paid-up Rights Equity Shares to the Investors' demat accounts, may take such time as is customary or as prescribed under applicable law from the last date of payment of the amount under the Call notice for the final Call

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 shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and trading approval, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL. The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchange, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within 4 (Four) days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within said period, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

For details of trading and listing of partly paid-up Rights Equity Shares, please refer to the heading "*Terms of Payment*" at page 163 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 19 and 59 of this Draft Letter of Offer.

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 (1) 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.

Notices

In accordance with the SEBI ICDR Regulations and SEBI Rights Issue Circulars, our Company will send/ dispatch the Letter of offer, the Abridged Letter of Offer, the Entitlement Letter, Application Form and other issue material only to such 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 Draft Letter of Offer will be provided by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company 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. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

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 Marathi language daily newspaper with wide circulation (Marathi being the regional language where our Registered Office is situated).

In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021, 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 Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue rights equity shares to non-resident shareholders including Additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 read with FEMA Rules, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for Allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the

matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Entitlement Letters/ letters of Allotment/Allotment Advice. If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at rightsissue@bigshareonline.com.

The Letter of Offer, Abridged Letter of Offer, the Entitlement Letter and Application Form shall be sent to the email address of non-resident Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. Investors can access this Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, the Lead Manager and the Stock Exchange. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

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.

Kindly note that the R-WAP mechanism is available only for Original Resident Equity Shareholders. Further, the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date shall apply for this Issue through ASBA facility only. 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 175 of this Draft Letter of Offer.

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 and the physical 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 and courier at least three (3) days before the Issue Opening Date i.e. [●]. 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 this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non availability of the email addresses or physical 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 this 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 and www.nseindia.com; and
- d) the Registrar's web-based application platform at www.bigshareonline.com (R-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 Renouncees, to make Applications in this Issue basis the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account. Further, in accordance with the SEBI Rights Issue Circulars, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date can apply through this Issue by first furnishing the details of their demat account along with their self-attested PAN and details of address proof by way of uploading on Registrar website the records confirming the legal and beneficial ownership of their respective Equity Shares at least two (2) Working Days prior to the Issue Closing Date i.e.[●], after which they can apply through ASBA facility only.

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 R-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 R-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. R-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 R-WAP. Incorrect depository account details or PAN number could lead to rejection of the Application. For details see "*Grounds for Technical Rejection*" on page 180. 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 169.

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, 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 (2) Working Days prior to the Issue Closing Date i.e.[●], desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period through ASBA mode only. Such resident Eligible Equity Shareholders must check the procedure for Application in “*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*” on page 175 of this Draft Letter of Offer.

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 R-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 R-WAP facility (accessible at www.bigshareonline.com), has been instituted for making an Application in this Issue by resident Original Shareholder. Further, R-WAP is only an additional option and not a replacement of the ASBA process. At the R-WAP, resident Investors can access and submit the online Application Form in electronic mode using the R-WAP and make online payment using their internet banking or UPI facility from their own bank account thereat. Kindly note that the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date can apply through ASBA facility only.

Set out below is the procedure to be followed for using the R-WAP facility:

- i. Resident Investors should visit R-WAP (accessible at www.bigshareonline.com) and fill the online Application Form available on R-WAP in electronic mode. Please ensure to provide correct DP ID, Client ID & PAN details and all other details sought for while submitting the online Application Form.

- ii. Non-resident Investors are not eligible to apply in this Issue through R-WAP facility.
- iii. The Investors should ensure that Application process is verified through the email / mobile number. Post due verification, the Investors can obtain details of their respective Rights Entitlements and apply in this Issue by filling-up the online Application Form which, among others, will require details of total number of Rights Equity Shares to be applied for. Please note that the Application Money will be determined based on number of Rights Equity Shares applied for.
- iv. Investors applying in the Issue through UPI facility should accept the debit/ payment request in the relevant mobile application for which the UPI ID details were provided.
- v. Prior to making an Application, the Investors should enable the internet banking or UPI facility of their respective bank accounts and the Investors should ensure that the respective bank accounts have sufficient funds. If the funds available in the bank account are less than total amount payable on submission of online Application Form, such Application shall be rejected. Please note that R-WAP is a non-cash mode mechanism in accordance with the SEBI Rights Issue Circulars.
- vi. The Investors shall make online payment using internet banking or UPI facility from their own bank account only. Such Application Money will be adjusted for either Allotment or refund. Applications made using payment from third party bank accounts will be rejected.
- vii. Verification in respect of Application through Investors' own bank account, shall be done through the latest beneficial position data of our Company containing Investor's bank account details, beneficiary account details provided to the depository, penny drop, cancelled cheque for joint holder verification and such other industry accepted and tested methods for online payment.
- viii. The Application Money collected through Applications made on the R-WAP will be credited to the Escrow Account, opened by our Company with the Banker(s) to the Issue.

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 R-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.e. [●], (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, R-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 169.

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 158. 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 182 of this Draft Letter of Offer.

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 Renounee 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 Renounee 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. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

In accordance with the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs not later than two working days prior to issue closing date, such that credit of REs in their demat account takes place at least one day before issue closing date, thereby enabling them to renounce their Rights Entitlements through Off Market 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 INE529D20014 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 INE529D20014 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.

(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 i.e. [●].

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 INE529D20014, 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 is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India.

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 i.e. [●] 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.

PLEASE NOTE THAT APPLICATION ON PLAIN PAPER CANNOT BE SUBMITTED THROUGH R-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 i.e. [●] 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 i.e.[●];
- 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 application 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:

“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 i.e.[●].

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.

Last date for Application

The last date for submission of the duly filled in Application Form is Issue Closing Date i.e. [●]. 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 i.e. [●].

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 182 of this Draft Letter of Offer.

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 [●]i. 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).

In accordance with the SEBI Rights Issue Circulars, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e. [●], 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.

Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form

Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and have furnished the details of their demat account to the Registrar or our Company, in the manner provided above, at least two Working Days prior to the Issue Closing Date i.e. [●], shall apply to this Issue through ASBA mode only. For details, see “*Procedure for Application through the ASBA Process*” on page 169.

Eligible Equity Shareholders holding Equity Shares in physical form cannot apply through the optional mechanism i.e. R-WAP and any Applications received under the said mechanism are liable to be rejected.

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 Folio Number. The link for the same shall also be available on the website of our Company (i.e., www.patel-india.com);

PLEASE NOTE THAT THE 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 I.E. FRIDAY, MARCH 12, 2021, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

Allotment of the Rights Equity Shares in Dematerialized Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE OR THE RIGHTS ENTITLEMENTS ARE HELD BY SUCH INVESTOR ON THE ISSUE CLOSING DATE, AS THE CASE MAY BE

FOR DETAILS, SEE “ALLOTMENT ADVICES/REFUND ORDERS” ON PAGE 183 OF THIS DRAFT LETTER OF OFFER.

General instructions for Investors

- (a) Please read this Draft 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, 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 (2) Working Days prior to the Issue Closing Date i.e.[●], 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.
- (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 R-WAP (for Original Shareholders only).
- (f) Applications by Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be made through ASBA facility only.
- (g) 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.
- (h) 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 172. 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.
- (i) 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., R-WAP. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA or using R-WAP.
- (j) 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.

- (k) In case of Application through R-WAP, the Investors should enable the internet banking or UPI facility of their respective bank accounts.
- (l) 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 R-WAP. Please note that on the Issue Closing Date i.e. [●], (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.
- (m) 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.
- (n) 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.
- (o) 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.**
- (p) 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.
- (q) 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.
- (r) 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.
- (s) 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.
- (t) Only persons outside restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Rights Equity Shares under applicable securities laws are eligible to participate.
- (u) 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.

- (v) 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.
- (w) An Applicant being an OCB is required not to be under the adverse notice of the RBI and must submit approval from RBI for applying in this Issue

Do's:

- (a) Ensure that the 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 R-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 R-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.
- (f) Ensure that you receive an acknowledgement from the R-WAP for your submission of the Application.

Don'ts for Investors applying through R-WAP:

- (a) Do not apply from bank account of third parties.
- (b) Do not apply if you are an Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date.
- (c) Do not apply if you are a non-resident Investor.
- (d) 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 this Draft 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 R-WAP process are liable to be rejected on the following grounds (in addition to above applicable grounds):

- (a) Applications by non-resident Investors;
- (b) Applications by Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date.

- (c) Payment from third party bank accounts; and
- (d) Applied from both mode i.e. R-WAP and ASBA in that case R-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 R-WAP (AVAILABLE ONLY FOR ORIGINAL RESIDENT SHAREHOLDERS), TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE I.E. THURSDAY, FEBRUARY 18, 2021. 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 187.

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.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted or sending the email withdrawal request to [●] in case of Application through R-WAP facility. **However, the Application, whether made through ASBA Process or R-WAP facility, cannot be withdrawn after the Issue Closing Date.**

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 Draft Letter of Offer, 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 unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 days from the Issue Closing Date i.e.[●]. 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 R-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.

In accordance with the SEBI Circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021, in case of Applications made through the R-WAP facility, refunds, if any for un-allotted or partially allotted applications shall be completed on or before T+1 day (T being the date of finalisation of Basis of Allotment).

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment Advice shall be sent, through email, to the email address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

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 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.
2. **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.
3. **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.

4. 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.
5. 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 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 i.e. [●] 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 I.E. [●], 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 I.E. [●] BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/ REVERSED/ FAILED.

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 DEMATERIALIZED 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 whose Equity Shares are 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" on page 175 of this Draft Letter of Offer.

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 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. Vide special resolution passed in the AGM held on August 2, 2021, the Equity Shareholders of the Company, have approved the overall increase in limit of holding from 10% to 24% on repatriation basis in the Company by Non-resident Indians and Overseas Citizen of India.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporated in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require

prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

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.

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 R-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 R-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 i.e. [●]. 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, our Company is not required to achieve minimum subscription for the Rights Issue on account of the following reason:

1. Objects of the Rights Issue are for a purpose which is other than financing a capital expenditure for a project; and
2. Our Promoter and Promoter Group have confirmed *vide* their letter dated September 8, 2021, their intention to subscribe to their rights entitlement, and will not renounce rights except to the extent of renunciation within the promoter group.

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 has been filed with BSE and NSE and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with BSE and NSE.

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, Letter of Offer, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part

of the conditions of this Draft Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected. 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 22.

All enquiries in connection with this Draft 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 i.e. [●] (inclusive of the Issue Closing Date).

SECTION VII –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 (2) working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date, or (c) demat suspense account where the credit of the Rights Entitlements returned/ reversed/ failed.

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 September 9, 2021 entered into amongst our Company and the Registrar to the Issue.
- (ii) Escrow Agreement dated [●] amongst our Company, the Registrar to the Issue and the Bankers to the Issue/ Refund Bank.

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) Certificate of incorporation dated June 26, 1970.
- (iii) Certificate of incorporation issued post conversion of our Company to a deemed public company on September 20, 1988.
- (iv) Copy of Prospectus dated December 13, 1993.
- (v) Copy of last Letter of Offer dated February 12, 2021
- (vi) Fresh certificate of incorporation dated October 29, 1993 consequent upon conversion from deemed public company to full-fledged public company.
- (vii) Fresh certificate of incorporation dated September 26, 2006 consequent upon change of name of our Company to 'Patel Integrated Logistics Limited'.
- (viii) Resolution of the Board of Directors dated August 11, 2021 in relation to the Issue.
- (ix) Resolution of the Board of Directors dated September 21, 2021, approving and adopting the Draft Letter of Offer.
- (x) Consent of our Directors, Company Secretary and Compliance Officer, Statutory Auditor, Legal Advisor, the Registrar to the Issue, Banker to the Issue/ Refund Bank for inclusion of their names in the Draft Letter of Offer in their respective capacities.
- (xi) Copies of Annual Reports of our Company for Fiscals 2021, 2020, 2019, 2018 and 2017
- (xii) Copy of quarterly unaudited (reviewed) financial statement for the quarter ended June 30, 2021
- (xiii) The examination reports dated September 21, 2021 of the Statutory Auditor, on our Company's Audited Financial Statements, included in this Draft Letter of Offer.
- (xiv) Statement of Tax Benefits dated September 21, 2021 from the Statutory Auditor included in this Draft Letter of Offer.
- (xv) Tripartite Agreement dated August 30, 2013 between our Company, NSDL and the Registrar to the Issue.
- (xvi) Tripartite Agreement dated August 27, 2013 between our Company, CSDL and the Registrar to the Issue.

(xvii) In principle listing approvals dated [●] and [●] issued by BSE and NSE, 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.

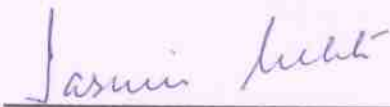
SIGNED BY THE DIRECTORS OF OUR COMPANY



Hari Venugopal Nair
(Managing Director)



Farukh Soli Wadia
(Independent Director)



Jasmine Divyesh Mehta
(Independent Director)



Ramakant Krishnajirao Kadam
(Independent Director)



Jasmin Dinshaw Lalla
(Executive Director)



Mahesh Fogla
(Non-Executive Director)

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY



Deepak Madhukar Keni
(Chief Financial Officer)

Date: 23/09/2021

Place: Mumbai