Letter of Offer
For Eligible Shareholders Only
Wednesday, May 24, 2023

NORTH EASTERN CARRYING CORPORATION LIMITED

Our Company was incorporated on December 05, 1984, as a private limited company, under the name and style 'Prakarima Leasing Private Limited' under the provisions of the Companies Act, 1956, with the Registrar of Companies, Delhi and Haryana. Our Company was thereafter converted into a public limited company vide shareholders resolution passed at an extra-ordinary general meeting of the Company held on December 17, 1984 and the name of our Company was changed to 'Prakarima Leasing Limited', and a fresh Certificate of Incorporation consequent upon conversion was issued by the Registrar of Companies, Delhi and Haryana on January 16, 1995. In the subsequent year of 1995, the name of our Company was changed from 'Prakarima Leasing Limited' to 'N.E.C.C. Finlease Limited' and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Delhi and Haryana on January 03, 1995. Subsequently, the name of our Company was further changed to 'North Eastern Carrying Corporation Limited' and a fresh Certificate of Incorporation pursuant to change of name was issued by the Registrar of Companies, NCT of Delhi and Haryana on October 06, 1999. For further details, kindly refer to the section titled ***'General Information'*** beginning on page 47 of this Letter of Offer.

Corporate Identification Number: L51909DL1984PLC019485.
Registered Office: 9062/47, NECC House, Ram Bagh Road, Azad Market, Delhi-110006, India;
Contact Details: +91-11- 23517516-19; **Contact Person:** Ms. Mamta Bisht, Company Secretary and Compliance Officer;
Email-ID:cs@neccgroup.com; **Website:**www.neccgroup.com.

PROMOTERS OF OUR COMPANY ARE MR. SUNIL KUMAR JAIN, MR. UTKARSH JAIN, MRS. VANYA JAIN, M/S SUVI DEVELOPERS PRIVATE LIMITED, M/S NECC SECURITIES PRIVATE LIMITED, AND M/S NECC AUTOMOBILES PRIVATE LIMITED

FOR PRIVATE CIRCULATION TO THE EQUITY SHAREHOLDERS OF OUR COMPANY

RIGHTS ISSUE OF UP TO 4,51,77,602 (FOUR CRORES FIFTY-ONE LAKHS SEVENTY-SEVEN THOUSAND SIX HUNDRED AND TWO) PARTLY PAID-UP EQUITY SHARES OF FACE VALUE OF RS.10.00/- (RUPEE TEN ONLY) ('EQUITY SHARES') EACH AT A PRICE OF RS.18.00/- (RUPEES EIGHTEEN ONLY) PER RIGHTS SHARE (INCLUDING A PREMIUM OF RS.8.00/- (RUPEES EIGHT ONLY) PER RIGHTS SHARE) (**'ISSUE PRICE'**) (**'RIGHTS SHARES'**) FOR AN AMOUNT AGGREGATING UP TO RS. 8,131.97 LAKHS***** ON A RIGHTS ISSUE BASIS TO THE ELIGIBLE SHAREHOLDERS OF NORTH EASTERN CARRYING CORPORATION LIMITED IN THE RATIO OF 9 (NINE) RIGHTS SHARES FOR EVERY 10 (TEN) EQUITY SHARES HELD BY SUCH ELIGIBLE SHAREHOLDERS AS ON THE RECORD DATE i.e., FRIDAY, JUNE 02, 2023, (**'ISSUE'**). THE ISSUE PRICE IS 1.8 TIMES THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, KINDLY REFER TO THE SECTION TITLED ***'TERMS OF THE ISSUE'*** BEGINNING ON PAGE 153 OF THIS LETTER OF OFFER.

*******Assuming full subscription and receipt of First and Final Call Money with respect to Rights Shares.*

PAYMENT METHOD FOR THE ISSUE

AMOUNT PAYABLE PER RIGHTS EQUITY SHARE	FACE VALUE	PREMIUM	TOTAL
On Application	Rs.5.00/-	Rs.4.00/-	Rs.9.00/-
First and Final Call as determined by our Board/ Committee at its sole discretion, from time to time	Rs.5.00/-	Rs.4.00/-	Rs.9.00/-
Total	**Rs.10.00/-**	Rs.8.00/-	Rs.18.00/-

WILLFUL DEFAULTERS AND/OR FRAUDLENT BORROWERS

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

GENERAL RISK

Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue including the risks involved. The Rights Shares have not been recommended or approved by Securities and Exchange Board of India (**'SEBI'**) nor does SEBI guarantee the accuracy or adequacy of this Letter of Offer. Investors are advised to refer ***'Risk Factors'*** beginning on page 20 of this Letter of Offer before investing in the Issue.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this 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 Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares of our Company are listed and traded on BSE Limited and National Stock Exchange of India Limited. Our Company has received in-principle approvals from BSE Limited pursuant to its letter bearing reference number 'DCS/RIGHT/CP/FIP/2468/2022-23' dated Thursday, August 04, 2022, and NSE pursuant to its letter bearing reference number 'NSE/LIST/31838' dated Monday, July 25, 2022, for listing of the Rights Shares. 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. For this Issue, BSE Limited is the Designated Stock Exchange.

MINIMUM SUBSCRIPTION

In the event of non-receipt of 90% minimum subscription of the offer as per Regulation 86(1) of SEBI (ICDR) Regulations, 2018 all application monies received shall be refunded to the applicants within 4 (four) days from the closure of the issue.

LEAD MANAGER TO THE ISSUE

CAPITALSQUARE®
Teaming together to create value

CAPITALSQUARE ADVISORS PRIVATE LIMITED
205-209, 2nd Floor, AARPEE Center, MIDC Road No 11, CTS 70, Andheri (E), Mumbai – 400093, Maharashtra, India
Contact Details: +91-22-66849999
Website: www.capitalsquare.in
Email ID: mb@capitalsquare.in
Investor Grievance ID: investor.grievance@capitalsquare.in
Contact Person: Mr. Mihir Pandhi
SEBI Registration Number: INM000012219
Validity: Permanent

REGISTRAR TO THE ISSUE

PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED
Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel East, Mumbai- 400011, Maharashtra, India
Contact Details: + 91-22-2301 2518 / 6761
Website: www.purvashare.com
E-mail ID:support@purvashare.com
Investor grievance e-mail: support@purvashare.com
Contact Person: Ms. Deepali Dhuri
SEBI Registration Number: INR000001112
Validity: Permanent

ISSUE PROGRAMME

ISSUE OPENING DATE	LAST DATE FOR MARKET RENUNCIATION*	ISSUE CLOSING DATE**
WEDNESDAY, JUNE 14, 2023	THURSDAY, JUNE 22, 2023	TUESDAY, JUNE 27, 2023

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

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

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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

DEFINITIONS

This Letter of Offer uses the definitions and abbreviations set forth below, which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, or policies shall be to such legislation, act, regulation, rules, guidelines, or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. The following list of certain capitalized terms used in this Letter of Offer is intended for the convenience of the reader/prospective Applicant only and is not exhaustive.

In this Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to 'the/our Company', 'we', 'our', 'us' or similar terms are to North Eastern Carrying Corporation Limited as the context requires, and references to 'you' are to the Eligible Equity Shareholders and/ or prospective Investors in this Rights Issue of Equity Shares.

The words and expressions used in this Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in section titled ***'Industry Overview'***, ***'Statement of Tax Benefits'***, ***'Financial Information'***, ***'Outstanding Litigations, Defaults, and Material Developments'*** and ***'Terms of the Issue'*** on page 63, 59, 77, 137, and 153 respectively, shall have the meaning given to such terms in such sections.

CONVENTIONAL/ GENERAL TERMS

Term	Description
North Eastern Carrying Corporation Limited/ Company	North Eastern Carrying Corporation Limited, a public limited company incorporated under the provisions of the Companies Act, 1956, as amended from time to time
We/ us/ our	Unless the context otherwise indicates or implies, refers to North Eastern Carrying Corporation Limited
AoA/ Articles of Association	The Articles of Association of North Eastern Carrying Corporation Limited, as amended from time to time
Audit Committee	The committee of the Board of Directors constituted as our Company's audit committee in accordance with the provisions of Section 177 of the Companies Act and Regulation 18 of the SEBI (LODR) Regulations
Audited Financial Statements	The audited financial statements of our Company prepared in accordance with Indian Accounting Standards for the Financial Years ending March 31, 2022, March 31, 2021 and March 31, 2020.
Restated Financial Statements	The restated financial statements of our Company prepared in accordance with Indian Accounting Standards for the Quarter and Nine Months ending December 31, 2022
Auditors/ Statutory Auditors/ Peer Review Auditor	The current statutory auditors of our Company M/s. Nemani Garg Agarwal & Co., Chartered Accountants bearing Firm Registration Number '010192N'
Board of Directors/ Board	Board of Directors of our Company
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, being Ms. Mamta Bisht
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, being Mr. Shyam Lal Yadav
Corporate Social Responsibility Committee	The committee of the Board of Directors constituted as our Company's Corporate Social Responsibility Committee in accordance with the provisions of Section 135 of the Companies Act
Directors	The director(s) on the Board of our Company, unless otherwise specified
Eligible Shareholder(s)	Eligible holder(s) of the Equity Shares of North Eastern Carrying Corporation Limited as on the Record Date
Equity Shares	Equity shares of the Company having face value of Rs.10.00/- (Rupees Ten Only)
Independent Director	Independent directors on the Board and eligible to be appointed as an Independent Director under the provisions of Sections 2(47) and 149(6) of the Companies Act and Regulation 16 (1) of the SEBI (LODR) Regulations. For details of the Independent Directors, please refer to section titled ***'Our Management'*** beginning on page 73 of this Letter of Offer

Term	Description
Internal Compliant Committee	The committee of the Board of directors reconstituted as our Company's Internal Compliant Committee in accordance with the provisions Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
ISIN of our Company	International Securities Identification Number being INE553C01016
Key Management Personnel /KMP	Key management personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act. For details, please refer to section titled ***'Our Management'*** beginning on page 73 of this Letter of Offer
Materiality Policy	A policy adopted by our Company, in the Board meeting held on November 10, 2015, for identification of material litigation(s) for the purpose of disclosure of litigations which was subsequently amended on Saturday, January 22, 2022
MoA/ Memorandum of Association	The Memorandum of Association of North Eastern Carrying Corporation Limited, 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 the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations
Promoters	The promoters of our Company are Sunil Kumar Jain, Utkarsh Jain, Vanya Jain, Suvi Developers Private Limited, NECC Securities Private Limited, and NECC Automobiles Private Limited
Promoter Group	Persons and entities forming part of the promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations and as disclosed by our Company in the filings made with Stock Exchanges under the SEBI (LODR) Regulations
Registered Office	The registered office of our Company is situated at 9062/47, NECC House, Ram Bagh Road, Azad Market, Delhi – 110006, India
Registrar of Companies	Registrar of Companies, Delhi and Haryana situated at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110019, India
Risk Management Committee	The committee of the Board of Directors constituted as our Company's Risk Management Committee in accordance with the provisions of Regulation 21 of the SEBI (LODR) Regulations. It was dissolved w.e.f September 04, 2021due to its Non-applicability.
Stakeholders' Relationship Committee	The committee of the Board of Directors constituted as our Company's Stakeholders' Relationship Committee in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations
Stock Exchanges	The stock exchanges where the Equity Shares are presently listed, being BSE Limited and National Stock Exchange of India Limited

ISSUE RELATED TERMS

Term	Description
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 Shares	The Rights Shares applied or allotted under this Issue in addition to the Rights Entitlement.
Allot/ Allotment/ Allotted	Unless the context requires, the allotment of Rights Shares pursuant to this Issue.
Allotment Account	The account opened with the Bankers to the Issue, into which the Application amounts by ASBA blocked in the ASBA Account, with respect to successful Investors will be transferred on the Transfer Date in accordance with Section 40 (3) of the Companies Act.
Allotment Account Bank	The bank which is a clearing member and registered with SEBI as bankers to an issue and with whom the Allotment Account will be opened, in this case being, Kotak Mahindra Bank Limited.
Allotment Advice	Note, advice, or intimation of Allotment sent to each successful Investors who have been or is to be Allotted the Rights Shares pursuant to this Issue after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allotment Date	The date on which the Allotment is made pursuant to this Issue.
Allottees	Person(s) who are Allotted Rights Shares pursuant to the Allotment.
Applicant(s)/ Investor(s)	Eligible Shareholder(s) and/or Renouncee(s) who make are entitled to make an application for the Rights Shares pursuant to this Issue in terms of the Letter of Offer.
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online/ electronic application

Term	Description
	through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Shares at the Issue Price.
Application Form	Unless the context otherwise requires, an application form through the website of the SCSBs (if made available by such SCSBs) under the ASBA process is used by an Investor to make an application for the Allotment of Rights Shares in the Issue.
Application Money	The aggregate amount payable at the time of Application, i.e., Rs.9.00/- (Rupees Nine Only) in respect of the Rights Shares applied for in this Issue at the Issue Price.
Application Supported by Blocked Amount/ ASBA	Application (whether physical or electronic) used by ASBA Investors to make an application authorizing the SCSB to block the Application Money in the ASBA Account maintained with such SCSB.
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Application Money of the ASBA Investor.
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 the ASBA facility.
ASBA Bid	Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI (ICDR) Regulations.
ASBA Circulars	Collectively, the SEBI circulars bearing reference numbers 'SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009', 'CIR/CFD/DIL/1/2011 dated April 29, 2011', and 'SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020'.
Bankers to the Issue	Collectively, Allotment Account Bank and the Refund Bank, being Kotak Mahindra Bank Limited;
Bankers to the Issue Agreement	Agreement dated Saturday, May 20, 2023 entered by and amongst our Company, the Lead Manager, the Registrar to the Issue, and the Bankers to the Issue.
Basis of Allotment	The basis on which the Rights Shares will be Allotted to successful Applicants in the Issue in consultation with the Designated Stock Exchange, and which is described in the section titled ***'Terms of the Issue'*** beginning on page 153 of this Letter of Offer.
BSE Limited	BSE Limited is one of the stock exchanges where presently the Equity Shares of the Target Company are listed.
Call Money	The balance amount payable by the holders of the Rights Shares pursuant to the Payment Schedule, is Rs.9.00/- (Rupees Nine Only) per Rights Share (50.00% of Issue Price) after payment of the Application Money.
Call Record Date	A record date fixed by our Company to determine the names of the holders of Rights Shares for the purpose of issuing the Call.
Call	The notice issued by our Company to the holders of the Rights Shares as on the Call Record Date for making a payment of the Call Money.
Certain	having no doubt or knowing exactly that something is true, or known to be true, correct, exact, or effective.
Controlling Branches /Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue, and the Stock Exchange, a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes.
Demographic Details	Details of Investors including the Investor's address, name of the Investor's father/ husband, investor status, occupation, and bank account details, where applicable.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the Application Form or plain paper application, submitted by ASBA Bidders, a list of which is available on the website of SEBI at https://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.
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	The Draft Letter of Offer dated Thursday, July 14, 2022, was filed with SEBI and the Stock Exchanges, in accordance with the SEBI (ICDR) Regulations, for their observations and in-principle approvals, respectively. The modified version is being filed with SEBI on Friday, April 07, 2023 updated with necessary changes made pursuant to SEBI Observations.
Eligible Equity Shareholders	Existing Equity Shareholders as on the Record Date i.e., Friday, June 02, 2023. Please note that the investors eligible to participate in the Issue exclude certain overseas

Term	Description
	shareholders.
Issue/ Rights Issue	Rights Issue of up to 4,51,77,602 (Four Crores Fifty-One Lakhs Seventy-Seven Thousand Six Hundred and Two) partly-paid up Rights Shares of our Company for cash at a price of Rs.18.00/- (Rupees Eighteen Only) per Rights Shares (including a premium of Rs.8.00/- (Rupees Eight Only) aggregating to an amount of up to Rs.8,131.97 Lakhs* on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of 9 (Nine) Rights Shares for every 10 (Ten) Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date i.e. Friday, June 02, 2023. On Application, Investors will have to pay Rs.9.00/- (Rupees Nine Only) per Rights Share which constitutes 50.00% (Fifty Percent) of the Issue Price, and the balance Rs.9.00/- (Rupees Nine Only) per Rights Share which constitutes 50.00% (Fifty Percent) of the Issue Price, will have to be paid, on one additional call as may be decided by the Board/ Rights Issue Committee of the Board from time to time. **Assuming full subscription and receipt of First and Final Call Monies with respect to Rights Shares.*
Issue Agreement	Agreement dated Wednesday, July 14, 2022, entered by and amongst our Company, and the Lead Manager, pursuant to which certain agreements are agreed to in relation to the Issue.
Issue Opening Date	Wednesday, June 14, 2023
Issue Closing Date	Tuesday, June 27, 2023
Issue Materials	The Letter of Offer, Abridged Letter of Offer, Rights Entitlement Letter, Application Form, including any notices, corrigendum thereto.
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	Rs.18.00/-(Rupees Eighteen) per Rights Equity Share issued in 1 (One) Rights Entitlement, (i.e., Rs.18.00/- (Rupees Eighteen) per Rights Equity Share, including a premium of Rs.8.00/- (Rupees Eight) per Rights Share). On Application, Investors will have to pay Rs.9.00/- (Rupees Nine Only) per Rights Share which constitutes 50.00% (Fifty Percent) of the Issue Price, and the balance Rs.9.00/- (Rupees Nine Only) per Rights Share which constitutes 50.00% (Fifty Percent) of the Issue Price, will have to be paid, on one additional call as may be decided by the Board/ Rights Issue Committee of the Board from time to time.
Issue Shares	Up to 4,51,77,602 (Four Crores Fifty-One Lakhs Seventy-Seven Thousand Six Hundred and Two) Rights Shares.
Issue Proceeds	The proceeds of the Issue that are available to our Company.
Issue Size	Amount aggregating up to Rs.8,131.97 Lakhs* **Assuming full subscription and receipt of First and Final Call Monies with respect to Rights Shares.*
Lead Manager	CapitalSquare Advisors Private Limited.
Letter of Offer/ LoF	The final letter of offer is to be filed with SEBI and the Stock Exchanges after incorporating the observations received from SEBI and the Stock Exchanges on the Draft Letter of Offer.
Listing Agreements	Listing agreements entered between our Company and the Stock Exchanges in terms of the SEBI (LODR) Regulations.
Major	Important, Serious or Significant
Material	As per Materiality Policy of the Company, Material means, the value involved in transaction exceeds 1% of the consolidated revenue from operations of the Company as per the latest Audited Balance Sheet.
Materiality	Factors determining materiality of Risk 1. Some events may have material impact quantitatively; 2. Some events may have material impact qualitatively instead of quantitatively; 3. Some events may not be material individually but may be found material collectively; 4. Some events may not be material at present but may be having material impact in future.
Material Fraud	fraud that has so vitiated the entire transaction that the legitimate purposes of the independence of the issuer's obligation can no longer be served

Term	Description
Multiple Application Forms	More than one Application Form submitted by an Eligible Equity Shareholder/Renouncees in respect of the same Rights Entitlement available in their demat account. However supplementary applications in relation to further Rights Shares with/without using additional Rights Entitlements will not be treated as multiple applications.
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please refer to the section titled ***'Objects of the Issue'*** beginning on page 55 of this Letter of Offer;
Non-ASBA Investor/ Non-ASBA Applicant	Investors are other than ASBA Investors who apply in the Issue otherwise than through the ASBA process comprising Eligible Equity Shareholders holding Equity Shares in physical form or who intend to renounce their Rights Entitlement in part or full and Renouncees.
Non-Institutional Investors/ NIIs	An Investor is other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI (ICDR) Regulations.
Offer Document	The Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer including any notices, corrigendum, advertisements, thereto, Rights Entitlement Letter.
Off Market Renunciation	The renunciation of Rights Entitlements is 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 Exchanges through a registered stockbroker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchanges, from time to time, and other applicable laws.
Payment Schedule	Payment schedule under which 50.00% (Fifty Percent) of the Issue Price is payable on Application, i.e., Rs.9.00/- (Rupees Nine Only) per Rights Share, and the balance unpaid capital constituting 50.00% (Fifty Percent) of the Issue Price i.e., Rs.9.00/- (Rupees Nine Only) will have to be paid, on two more additional calls as may be decided by the Board/ Committee of the Board from time to time.
Physical Equity Shareholders	Eligible Equity Shareholders holding Equity Shares in physical form shall be termed as Physical Equity Shareholders.
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI (ICDR) Regulations.
Record Date	Designated date to determine the Eligible Equity Shareholders eligible to apply for Rights Shares, being Friday, June 02, 2023.
Refund Bank	The Banker to the Issue with the Refund Account will be opened, in this case being Kotak Mahindra Bank Limited.
Registrar Agreement	Agreement dated Tuesday, July 12, 2022, entered between our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue.
Registrar to the Company	MAS Services Limited.
Registrar to the Issue	Purva Sharegistry (India) Private Limited.
Renouncees	Any persons who have acquired Rights Entitlements from the Eligible Equity Shareholders through renunciation.
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date i.e. Wednesday, June 14, 2023. Such period shall close on Thursday, June 22, 2023 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 Renouncees on or prior to the Issue Closing Date.
Retail Individual Investors/ RIIs	An Individual Investor (including an HUF applying through Karta) who has applied for Rights Shares and whose Application Money is not more than Rs.2,00,000/- (Rupees Two Lakhs Only) in the Issue as defined under Regulation 2(1)(vv) of the SEBI (ICDR) Regulations.
Rights Entitlement Letter	This letter includes details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements are accessible on the website of our Company.
Rights Entitlement (s)/ RES	The number of Rights Shares that an Investor is entitled to in proportion to the number of Equity Shares held by the Investor on the Record Date, in this case being 9 Rights Shares for every 10 Equity Shares held by an Eligible Shareholder. The Rights Entitlements with a separate ISIN: 'INE553C20016' will be credited to your

Term	Description
	demat account before the date of opening of the Issue, against the Equity Shares held by the Eligible Equity Shareholders as on the Record Date, pursuant to the provisions of the SEBI (ICDR) Regulations and the SEBI Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date;
Rights Shares	Equity Shares of our Company to be Allotted pursuant to this Issue;
SEBI Rights Issue Circulars	The SEBI circular bearing reference number 'SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020'.
Self-Certified Syndicate Banks/ SCSB(s)	Self-certified syndicate banks registered with SEBI, which act as a Banker to the Issue and which offer the facility of ASBA. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34
Significant	important or large enough to be noticed
Substantial	Ample or considerable in amount, quantity or size.
Theft	Whoever, intending to take dishonestly any moveable property out of the possession of any person without that person's consent, moves that property in order to such taking, is said to commit theft.
Transfer Date	The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.
Wilful Defaulter or Fraudulent Borrower	A Company or person, as the case may be, categorized as a wilful defaulter or fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(lll) of SEBI (ICDR) Regulations and in accordance with the guidelines on wilful defaulters issued by the RBI, including any company whose director or promoter is categorized as such.
Working Day(s)	In terms of Regulation 2(1)(mmm) of SEBI (ICDR) Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, a working day means all days, excluding Saturdays, Sundays, and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI.

ABBREVIATIONS

Term	Description
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
CAF	Common Application Form
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act, 2013	Companies Act, 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)
Consolidated FDI Policy	Consolidated FDI Policy dated October 15, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CSR	Corporate Social Responsibility
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018
Depositories Act	The Depositories Act, 1996, including subsequent amendments thereto
DIN	Director Identification Number
DP	Depository Participant
DP-ID	Depository Participant's Identification

Term	Description
DR	Depository Receipts
EBITDA	Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation, and amortisation expense, as presented in the statement of profit and loss
EGM	Extraordinary General Meeting
EEA	European Economic Area
EPC Services	Engineering, Procurement, and Construction services
EPS	Earning per Equity Share
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FDR	Fixed Deposit Receipts
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations made thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws
FIPB	Foreign Investment Promotion Board
FPIs	Foreign Portfolio Investors
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
FY/ Financial Year	Period of 12 months ended March 31 of that particular year, unless otherwise stated
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GDR	Global Depository Receipt
GNPA	Gross Net Performing Assets
GoI / Government	The Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
Ind AS	Indian Accounting Standards
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
Indian GAAP/ I-GAAP	Generally Accepted Accounting Principles In India
Income Tax Act/ IT Act	The Income Tax Act, 1961 and amendments thereto
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended
INR / Rs. / Rs. / Indian Rupees	Indian Rupee, the official currency of the Republic of India
IST	Indian Standard Time
IT	Information Technology
MCA	The Ministry of Corporate Affairs, Government of India
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
NCT	National Capital Territory, Delhi
NCLT	National Company Law Tribunal
NCLAT	National Company Law Appellate Tribunal
NEFT	National Electronic Fund Transfer.
Net Worth	The aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account, and debit or credit balance of the profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure, and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, writeback of depreciation and amalgamation
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NR/ Non- Resident	A person resident outside India, as defined under the FEMA and includes an NRI, FPIs registered with SEBI and FVCIs registered with SEBI
NRE	Account Non-resident external account

Term	Description
NRI	Non-resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Body
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after Tax
PTL	Partial Truck Loaded
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RoNW	Return on Net Worth
SCORES	SEBI Complaints Redress System
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto
Securities Act	United States Securities Act of 1933, as amended
STT	Securities transaction tax
Trade Mark Act	Trade Marks Act, 1999 and the rules thereunder, including subsequent amendments thereto
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be

NOTICE TO OVERSEAS INVESTORS

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

Our Company is making this Issue on a rights basis to the Eligible Shareholders as on Record Date and will dispatch the Issue Materials through email and courier to such Eligible Shareholders who have a registered address in India or have provided an Indian address to our Company. The Letter of Offer will be provided, through email and courier, by the Registrar to the Issue on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are in jurisdictions where the offer and sale of the Rights Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Those overseas shareholders, who have not updated our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent the Issue Materials. Investors can also access the Issue Material from the websites of the Registrar to the Issue, our Company, and on Stock Exchanges.

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

Any person who makes an application to acquire the Rights Entitlement or the Rights Shares offered in this Issue will be deemed to have declared, represented, warranted, and agreed that she/he is authorized to acquire the Rights Entitlement or the Rights Shares in compliance with all applicable laws and regulations prevailing in her/his jurisdiction. Our Company, the Registrar to the Issue or any other person acting on behalf of us reserve the right to treat any Application Form as invalid where we believe that the Application Form is incomplete, or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to Allot or issue any Rights Entitlement or Rights Shares in respect of any such Application Form.

Neither the delivery of Issue Materials nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of the Letter of Offer.

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

NO OFFER IN THE UNITED STATES

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

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights

Entitlement Letters should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Right Entitlements or the Rights Shares and wishing to hold such Rights Shares in registered form must provide an address for registration of the Equity Shares in India. Any person who acquires Right Entitlements or Rights Shares will be deemed to have declared, represented, warranted, and agreed, that:

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

2. It does not have a registered address (and is not otherwise located) in the United States, and

3. It is authorized to acquire the Right Entitlements or the Rights Shares in compliance with all applicable laws and regulations.

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

1. Does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorized to acquire the rights and the Equity Shares in compliance with all applicable laws and regulations;

2. Appears to our Company or its agents to have been executed in or dispatched from the United States;

3. Where a registered Indian address is not provided; or

4. Where our Company believes that the Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Entitlement or the Right in respect of any such Application Form.

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

PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA

CERTAIN CONVENTIONS

In this Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to the/our 'Company', 'we', 'our', 'us' or similar terms are to North Eastern Carrying Corporation Limited or, as the context requires, and references to 'you' are to the Eligible Equity Shareholders and/ or prospective Investors in the Equity Shares.

Unless otherwise specified, any time mentioned in this Letter of Offer is in Indian Standard Time.

Unless indicated otherwise, all references to a year in this Letter of Offer are to a calendar year.

FINANCIAL DATA

Unless stated otherwise, the financial data in this Letter of Offer is derived from the Audited Financial Statements, which have been prepared in accordance with Ind As, Accounting Standards, Companies Act, 2013. For further details, please refer to the section titled ***'Financial Information'*** beginning on page 77 of this Letter of Offer.

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

CURRENCY OF PRESENTATION

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

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

Please Note:

One million is equal to 1,000,000/10 lakhs;

One billion is equal to 1,000 million/100 crores;

One lakh is equal to 100 thousand;

One crore is equal to 10 million/100 lakhs;

FORWARD LOOKING STATEMENTS

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

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

1. Uncertainty of the continuing impact of the COVID-19 pandemic on our business and operations;
2. Movement of materials could be affected by weather conditions or natural calamities, Acts of God and could severely harm the business operations of the Company;
3. Increase in Fuel Prices may affect the profitability of the Company;
4. Increase in freight and fluctuation in operating and other related costs;
5. Non-availability of vehicles, storage space, etc., or available at increased prices;
6. State of road and other transportation infrastructure in India
7. General economic and business conditions in India and in the markets in which we operate and in the local, regional, and national economies;
8. Changes in laws and regulations relating to the logistic sector and industry in which we operate;
9. Increased competition in industries and sector in which we operate;
10. Our ability to successfully implement our growth strategy and expansion plans and to successfully launch and implement various projects and business plans for which funds are being raised through this Issue;
11. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
12. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
13. Any adverse outcome in the legal proceedings in which our Company is involved;
14. Other factors beyond our control;
15. Our ability to manage risks that arise from these factors;
16. Changes in Government policies and Regulatory actions that apply to or affect our business;
17. Conflicts of interest with affiliated companies, the promoter group and other related parties;
18. The performance of the financial markets in India and globally; and
19. We are affected by volatility in interest rates, adversely affecting our net interest income;

For a further discussion of factors that could cause the actual results to differ, please refer to the section titled **'*Risk Factors*'** beginning on page 20 of this Letter of Offer. By their nature, certain market risk disclosures are only estimates and could materially be different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance. Our Company or advisors does not have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI and Stock Exchanges' requirements, our Company shall ensure that Investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.

SECTION II – SUMMARY OF THE LETTER OF OFFER

The following is a general summary of certain disclosures included in this Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Letter of Offer or all details relevant to prospective Investors. This summary should be read in conjunction with and is qualified by, the more detailed information appearing in this Letter of Offer, including the sections titled ***'Risk Factors'***, ***'Objects of the Issue'***, ***'Business Overview'*** and ***'Outstanding Litigations, Defaults and Material Developments'*** beginning on pages 20, 55, 66, and 137 of this Letter of Offer, respectively.

SUMMARY OF OUR BUSINESS

Headquartered in Delhi, North Eastern Carrying Corporation Limited (NECC) is a company engaged in logistics in India. Spanning over five decades of services, we have a network of 187 branches including franchises for handling transportation and supply chain solutions throughout India, Nepal, Bhutan and Bangladesh. We are, engaged in transportation of goods catering to various industries like Fast Moving Capital Goods, Steel, Construction, Infrastructure etc. We have build a customer base that relies on us for our qualitative, time oriented and damage free transportation services. We have an in-house preventive maintenance department wherein regular remedial measures are taken for our fleet, which mainly includes regular checking of tyre quality and servicing of key components of the trucks we operate. Further, our Company also maintains a proper stock of spare parts and components of vehicles to meet any exigency.

OBJECTS OF THE ISSUE

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

Particulars	Amount (Rs. in Lakhs)
Gross Proceeds from the Issue*	Up to 8,131.97
Less: Estimated Issue related Expenses	99.73
Net Proceeds from the Issue	**8,032.24**

**Assuming full subscription and receipt of First and Final Call Money with respect to Rights Shares.*

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

Sr. No.	Particulars	Amount (Rs. in Lakhs)
1.	Construction and Development of Warehouse	6,447.00
2.	General Corporate Purpose	1,585.24
	Total Net Proceeds	**8,032.24**

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

For further details, please refer to the Section titled ***'Objects of the Issue'*** beginning on page 55 of this Letter of Offer.

SUBSCRIPTION TO THE ISSUE BY OUR PROMOTER AND PROMOTER GROUP

The Promoters of our Company through their letters dated Tuesday, July 05, 2022, Friday July 08, 2022 and Monday, July 11, 2022, have confirmed that they intend to subscribe in part or to full extent of their Rights Entitlement and to the extent of unsubscribed portion (if any) of this Issue and that they shall not renounce their Rights Entitlements except within the Promoter Group, in accordance with the provisions of Regulation 86 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations.

Our Promoter and certain members of our Promoter Group have also confirmed that they intend to apply for and subscribe to additional Rights Shares and any Rights Shares offered in the Issue that remain unsubscribed, subject to compliance with the minimum public shareholding requirements, as prescribed under the Securities Contracts (Regulation) Rules and the SEBI (Listing Obligations and Disclosure Requirements) Regulations.

Any such subscription for Rights Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding in the Company. The allotment of Equity Shares of the Company subscribed by the Promoter and other members of the Promoter Group in this Issue shall be eligible for exemption from open offer requirements in terms of Regulation 10(4)(a) and 10(4)(b) of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations. The Issue shall not result in a change of control or the management of our Company in accordance with the provisions of SEBI (Substantial Acquisition of

Shares and Takeover) Regulations. Our Company is in compliance with Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

FINANCIAL INFORMATION

The following table sets forth the summary financial information derived from the Audited Financial Statements, prepared in accordance with Indian Accounting Standard and the Companies Act, 2013, for 9 (Nine) months and the Financial Years ending March 31, 2022, March 31, 2021 and March 2020

(Rs. in Lakhs except Equity Share data)

Particulars	Audited Financial Statements for period ended December 31, 2022	Audited Financial Statements for the Financial Year ending		
		March 31, 2022	March 31, 2021	March 31, 2020
Equity Share Capital	5,019.73	5,019.73	5,019.73	5,019.73
Net Worth	10,395.13	9,893.61	9,472.04	4,309.30
Total Income	23,298.86	25,085.53	23,273.75	9,329.03
Profit / (loss) after tax	487.61	425.75	143.01	638.96
Basic and diluted EPS (in Rs.)	0.97	0.85	0.28	1.27
Net asset value per Equity Share (in Rs.)	20.71	19.70	18.87	8.58
Total borrowings	11,250.14	10,093.72	8,616.80	7,611.90

AUDITOR QUALIFICATIONS

For details on auditor qualifications, please refer to section titled **'*Financial Statement*'** beginning on page 77 of this Letter of Offer.

OUTSTANDING LITIGATIONS

(Rs. in Lakhs)

Nature of cases	Number of cases	Amount involved
Litigations involving our Company		
Litigation Involving Actions by Statutory/Regulatory Authorities	Nil	Nil
Litigation involving Tax Liabilities	2	56.62
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company	Nil	Nil
Criminal Matters initiated by the Company, Group, Promoters, Directors which are at FIR stage	21	64.44
Criminal Matters initiated against the Company, Group, Promoters, Directors which are at FIR stage	9	28.69
Proceedings involving Material Violations of Statutory Regulations by our Company	Nil	Nil
Matters involving economic offences where proceedings have been initiated against our Company	Nil	Nil
Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company	Nil	Nil
Litigation involving our Directors, Promoters and Promoter Group		
Litigation Involving Actions by Statutory/Regulatory Authorities	2	10.00
Litigation involving our Group Companies	Nil	Nil

For further details, please refer to section titled ***'Outstanding Litigations, Defaults and Material Developments'*** beginning on Page 137 of this Letter of Offer.

RISK FACTORS

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares, material litigations which impact the business of the Company and other economic factors, please refer to the section titled **'*Risk Factors*'** beginning on page 20 of this Letter of Offer.

CONTINGENT LIABILITIES

For details of the contingent liabilities, as reported in the Financial Statements, please refer to the section titled ***'Financial Statement'*** on Page 77 and beginning ***'Outstanding Litigations, Defaults and Material Developments'*** on page 137 of this Letter of Offer.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as reported in the Financial Information, please refer to the section titled ***'Financial Statement'*** beginning on page77 of this Letter of Offer.

FINANCING ARRANGEMENTS

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

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Our Company has not issued any Equity Shares for consideration other than cash during the last 1 (One) year immediately preceding the date of filing this Letter of Offer.

*An investment in our Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Letter of Offer, including in **'Business Overview'**, **'Industry Overview'**, and **'Financial Statements'** beginning on pages 66, 63, and 77 respectively, before making an investment in our Equity Shares.*

The risks and uncertainties described below are not the only risks that we currently face; additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations, and cash flows. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, financial condition, and results of operations could suffer, the trading price and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment. To the extent the COVID-19 pandemic has adversely affected and may affect our business and financial results, it may also have the effect of increasing many of the other risks described in this section, such as those relating to non-payment or default by borrowers. In making an investment decision with respect to this Issue, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved. You should consult your tax, financial, and legal advisors about the consequences of an investment in our Equity Shares and its impact on you.

This Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements because of certain factors, including the considerations described below and elsewhere in this Letter of Offer.

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

INTERNAL RISK FACTORS

1. There is a probability of negative public opinion arising out of SAT order against Mr. Utkarsh Jain and Mrs. Vanya Jain, the promoters of our Company, may adversely impact the financial position and business succession of our Company.

SEBI issued a Show Cause Notice ('***SCN***') bearing reference No. EAD6/ADJ/DAK/AS/OW/49453/1/2022 dated September, 2022 against the individual promoters of the Company namely being, Mrs. Vanya Jain and Mr. Utkarsh Jain for the alleged violations of Section 12A(a),(b),(c) of 246 SEBI Act read with Regulation 3(a),(b),(c),(d) and Regulations 4(1), 4(2) (a) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003. They made a consent application opting for settlement mechanism on October 31, 2022. The application against the said show Cause Notice was subsequently withdrawn on January 16, 2023 and the said promoters decided to continue with the Adjudication under Section 15I of the SEBI Act, 1992. In the above-mentioned matter, SEBI has passed an order dated February 21, 2023 bearing reference no. Order/AK/AS/2022-23/23970-23975 imposing a penalty of Rs. 10.00 Lakhs each against Vanya Jain and Utkarsh Jain. The said promoters have filed an application to make an appeal to Securities Appellate Tribunal ('***SAT***') against the order of SEBI on Monday, April 03, 2023 for Mrs. Vanya Jain and on Wednesday, April 05, 2023 for Mr. Utkarsh Jain. In case the outcome of the appeal is not in favor of the promoters, it may adversely impact the financial condition of the Promoters, which may in turn have an impact on the Company.

2. Any disruptions to our logistics and transportation facilities could have a material adverse effect on our business, financial condition, cash flows and results of operations.

Our daily operations rely heavily on the orderly performance of our logistics facilities and our transportation facilities, which are largely driven by technology. Any service disruption in our logistics facilities as a result of a failure or disruption of the automated facilities or equipment, technological issues, lower capacity during peak shipment volume periods, force majeure, prolonged power outage, changes in governmental planning for the land underlying these facilities, third-party sabotages, disputes, employee delinquencies or strikes, government inspections or regulatory orders mandating service halt or temporary or permanent shutdowns could adversely impact our business operations. For example, any ad hoc regulatory inspection by local authorities at any of our facilities may cause business disruptions and delay the processing and delivery of parcels. Our transportation facilities could also face disruption, whether due to poor road infrastructure, breakdowns of vehicles, third-party sabotage or employee delinquency or strikes, among others. The outbreak of an epidemic or a pandemic, such as the outbreak of COVID-19 (including its variants), may also cause a significant disruption to our business.

If we are required by governmental authorities to implement changes to our facilities or relocate any of our facilities, our operating costs could materially increase as a result. Any significant malfunction or breakdown of our equipment may entail significant repair and maintenance costs and cause delays in our operations. Furthermore, if we are unable to repair the malfunctioning equipment, our operations may need to be suspended until we procure a replacement. Any malfunction or breakdown of our equipment may also cause the quality of products stored with us to be affected. We may be liable for breach of our contractual obligations with our customers, including for any damages to their products, and this could result in significant

losses to us. Shipments with a short shelf life, such as perishable goods, could be damaged and expose us to additional losses and claims that may exceed any insurance coverage that we have. Any breach of our obligations may result in termination of our contracts with our customers or result in reputational damage, which could have an adverse effect on our business and financial results. Thus, delays or damages resulting from breakdowns in our equipment could adversely impact our reputation, which, over a period, could lead to a decline in business, financial performance, and growth prospects.

In addition, logistics and transportation facilities that meet the requirements of modern logistics operations for guaranteed storage and transportation safety (as applicable), optimal and flexible space utilization and high operational efficiency are in short supply. We may not be able to replace these facilities and equipment in a timely manner, should any of the foregoing occur. Furthermore, the leases for the logistics facilities that we use could be challenged by third parties or government authorities or not renewed, which may cause interruptions to our business operations. We can provide no assurance that we will be able to find suitable replacement sites on terms acceptable to us on a timely basis, or at all, or that we will not be subject to material liability resulting from third parties' challenges to our use of such properties. In the event of service disruptions in our logistics facilities or transportation facilities, our shipment pickup and delivery may be delayed, suspended or stopped. Such shipments would need to be redirected to other nearby centers, and such rerouting would likely increase the risk of delays and delivery errors. At the same time, increased shipment sorting or pickup and delivery pressure on nearby centers may negatively impact their performance and result in adverse effects on our entire network. Any of the foregoing events may result in significant operational interruptions and slowdowns, customer complaints and reputational damage. It may be noted that we have not encountered any significant service disruption in our logistic and transportation facilities that has adversely affected our business, financial cash flows or results in the past.

In the past, occurrence of Covid-19 outbreak was the major event which has disrupted warehousing and transportation facilities. Due to this, the sales and profitability of the Company was impacted significantly, details of which are as under:

(Rs. in Lakhs)

Particulars	2022	2021	2020
Revenue	25,042.77	23,058.64	37,629.99
Profit	425.75	143.01	638.96

3. ***We operate in a highly fragmented industry and face intense competition, which could adversely affect our results of operations and market share.***

We operate in a highly competitive industry. Many segments in which we operate have low barriers to entry, resulting in a highly fragmented market. Increased competition from unorganized third-party logistics or transport providers could force us to lower our prices, thereby reducing our profit margins or market share. We compete based on several factors, including the breadth of our services, network flexibility and stability, operational capabilities, infrastructure capacity, cost, pricing and service quality. If we cannot effectively control our costs and are required to increase our pricing in line with any cost increases, we could lose customers and our market share and revenue could decline. Our competitors may attempt to gain market share by lowering their rates, especially during economic slowdowns or in key regional markets. Such rate reductions may limit our ability to maintain or increase our rates and operating margins and impede our ability to grow our business. In addition, major e-commerce marketplaces may choose to build or further develop their respective in-house fulfillment capabilities to serve their logistics needs and compete with us, which may significantly affect our market share and total parcel volume. Furthermore, as we diversify our service offerings and further expand our customer base, we may face competition from existing or new players in new sectors we choose to enter, in which we may lack experience and track record. We may face competition from existing or new last-mile delivery service providers which may expand their service offerings to include other services that we currently provide or adopt a business model disruptive to our business and compete with us for delivery personnel. Similarly, existing players in an adjacent market may choose to leverage their existing infrastructure and expand their services to serve our customers. We may lose members of our management team or experienced employees to such competitors or may fail to implement technological innovations that enable us to compete effectively with our competitors. If these players succeed in developing their fulfillment capabilities, our market share may be adversely impacted, and our business and financial performance may be significantly and adversely affected. Certain of our current and potential competitors, as well as international logistics operators, may have significantly greater resources, including financial resources, greater economies of scale attributable to their larger size, wider distribution networks, greater operating efficiencies, a broader range of services, longer operating histories, better customer relationships, larger customer bases or greater brand recognition than us. Other current and potential competitors may be acquired by, receive investment from, or enter strategic relationships with, established and well-financed companies or investors which would help enhance their competitiveness. Moreover, competitors may adopt more aggressive pricing policies or devote greater resources to marketing and promotional campaigns than us. To effectively compete, we may be required to lower our pricing or increase our investment in advertisement and promotions, which would increase our operating costs. We may not be able to compete successfully against current or future competitors, and competitive pressures may have a material and adverse effect on our business, financial condition, cash flows and results of operations.

4. ***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:

(Rs. in lakhs)

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Net Cash Flow from/ (used in) Operating Activities	(1,020.91)	(1,050.94)	(391.34)
Net Cash generated from/ (used in) investing activities	(242.56)	39.74	(26.67)
Net Cash Flow from/ (used in) Financing Activities	1,476.91	1,004.90	375.19

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. Our cash flow from operations is negative mainly on account of payment for Loans & Advances made by the company in relation to warehousing project. If we continue to experience negative cash flows from operations in the future, it could adversely affect our business, results of operations and financial condition. For further details kindly refer to the section titled ***'Financial Statements'*** beginning on page 77 of this Letter of Offer.

5. ***We employ a large workforce, and any failure to attract and retain suitably qualified and skilled employees, labour unrest, labour union activities, increases in the cost of labour or failure to comply with applicable labour laws could negatively affect our business.***

Our business requires a substantial number of personnel, and this is likely to increase in tandem with the growth of our business. The salaries and benefits that we provide are determined by various factors such as labour laws and regulations, supply and demand in micro sectors, attrition levels, and level of expertise, customization and productivity required for a particular activity. Our future success greatly depends on our continued ability to attract, develop, motivate, recruit, and retain suitably qualified employees, particularly those skilled in technology. Competition for highly skilled personnel in the logistics industry and Indian technology industry is intense and may further intensify and significantly increase our employee-related costs, which may impact our profitability. We may not be able to recruit and retain these personnel at compensation levels consistent with our existing compensation and salary structure. Some of the companies with which we compete for experienced employees may have greater resources and may be able to offer more attractive terms of employment. In addition, we invest significant time and resources in training our employees, which increases their value to competitors who may seek to recruit them. If we fail to retain our employees or are unable to replace them in a timely manner or at all, we could incur significant expenses in hiring and training their replacements, and the quality of our services and our ability to serve our customers could diminish, resulting in a material adverse effect to our business, financial condition, cash flows, prospects, and results of operations. The engagement of a large contractual workforce requires us to comply with applicable labour laws. We may be held responsible if we fail to comply with the applicable labour laws, including failure to comply with minimum wage laws, pay wages or provide various employment benefits, including contributions to the employees' provident fund. In the event of a default, we may be held liable. Changes in labour laws, such as minimum wage laws, may also require us to incur additional costs, such as raising salaries or increasing our contributions to the employees' provident fund. If we are unable to offer competitive or attractive salaries and benefits or pay our employees on time or in full, we may lose our personnel or be unable to hire additional temporary workers during peak seasons, resulting in insufficient delivery resources, disgruntled employees and contracted workers or lower delivery service quality in certain parts of our network. We may not be able to raise our pricing to offset any increases in labour cost in a timely manner or at all. If a labour dispute or conflict were to develop between us and our employees or contracted workers were to unionize or go on strike, we could become a target for union organizing activities and suffer work stoppage for a significant period. The unionization of the workers engaged by our business partners, and any strikes, work stoppages, industrial actions, or other forms of labour unrest or collective actions directed against us, or our business partners could hinder our business operations or result in negative publicity that could adversely affect our brand and reputation. Work stoppages can result in significant disruptions or delays in our ability to complete deliveries. A labour dispute can be difficult to resolve and may require us to seek arbitration for resolution, which can be time-consuming, distracting to management, expensive and difficult to predict. In addition, labour disputes with a unionized employee or worker may involve substantial demands on behalf of the unionized employees or workers, including substantial wage increases, which may not be correlated with our performance, thus impairing our financial results. If we are unable to pass on any increased labour costs to our customers, our business operations, financial condition and cash flows may be adversely affected.

Our increasing business operations may require our employee strength to increase in future. In the past our Company has not experienced any labour unrest that could negatively affect our business, but there is no assurance that it will not experience the same at any time in the future. Also, there is a possibility that the labour costs increase disproportionately due to increase in wage/salary demand. In this event, if our Company is unable to pass on the increased costs to our customers, our business operations and financial conditions may be adversely affected.

6. ***Some of our branches (including our transshipment hubs) are located at leased premises. Our operations may be materially and adversely affected if we are unable to continue to utilize any of our key branches or transshipment hubs.***

Our business and operations are significantly dependent on the hub-and-spoke operating model and the integrated consignment delivery network built around our branches and transshipment hubs across India. Some of our branches (including our transshipment hubs) are located at leased premises. Wei have entered various lease arrangements for such branches and/or transshipment hubs. If we are unable to continue to use our branches and transshipment hubs which are located on leased premises during the period of the relevant lease or extend such lease on its expiry on commercially acceptable terms, or at all, we may suffer a disruption in our operations which could have a material and adverse effect on our business, results of operations and financial condition.

Further, During the preceding 2(Two) Financial Years, branches of our Company has changed as per below mentioned table:

BRANCH	NEW ADDRESS	OLD ADDRESS	DATE OF CHANGE
Bikaner	G-173, Transport Nagar Ganga Nagar Road Bichhawal Bikaner - 334006	D-18, Bichwal Industrial Area Transport Nagar Bikaner - 334001	Friday, October 14, 2022
Chikemberpur-	Indo Arya Compound 7th Mile Stone, Metro Piller No:152 Near Dev Dharamkanta, Chikemberpur Ghaziabad - 201006	Relience Road. Khasra No: 347 Vill: Bhorapur, Tehsil: Dholana Hapur - 245301	Friday, July 15, 2022
Darbhanga	Shiv Dhara Chowk, Naz Market Darbhanga - 846005	Shivaji Nagar Darbhanga - 846004	Friday, August 12, 2022
Ichhalkaranji	H.No. 11/59, Kumbhar Gali, Near Meera Wear House, Ichhalkaranji-416115.	Plot No 692, Opp. Gaiban Petrol Pump Balaji Chowk Vikram Nagar Ichhalkaranji - 416116	Thursday, November, 03, 2022
Jainagar	Kamla Road, Nr. Ram Janki Mandir, Dist. Madhubani, Jainagar-847226	Near Bus Stand Jainagar - 847226	Sunday, January 1st, 2023
Jaipur	A-334, Road No.17 Vishwakarma Industrial Area Jaipur - 302013	F-277-A, Road No: 13, Vishwakarma Industrial Area Jaipur - 302013	Tuesday, April 19, 2022
Jallandhar	Plot No: E-25, Industrial Area Jallandhar - 144008	NN-16, Patel Chowk, Near Satguru Petrol Pump Jallandhar - 144001	Wednesday, June 22, 2022
Jetpur	Rabarika Road Malviya Udyog Nagar Jetpur - 360370	Juna Rajkot Highway, Khula Phatak, Near Perfect Weigh Bridge, Jetpur - 360370	Monday, July, 04, 2022
Kashmere gate	2947, Hamilton Road, Kashmere Gate Delhi - 110006	1/783 Nicholson Road, Kashmere Gate Delhi - 110006	Tuesday, March 01, 2022
Madhavnagar (sangli)	430,Krantiveer Chowk, Raviwar Peth (East) Dist. Sangali Taluka .Miraj Madhavnagar - 416406	Nr. Raviwar Peth, Jama Masjid Purve Madhavnagar - 416406	Thursday, April 28, 2022
Madurai	C/o.Deepak Transport #31, Old East Station Road Balarangapuram Madurai - 625009	31 BB Road Balarangapuram Madurai - 625009	Wednesday, September 28, 2022
Meerut	303, Transport Nagar Meerut - 250002	B-7, Transport Nagar Meerut - 250002	Wednesday, June 01, 2022
Patna jn	Plot No-622-24, Khata No:469 & 373 Thana No:19, Mauza-Ranipur Patna Jn - 800007	Dadarmandi, P.O:Gulzarbagh PS: Alamganj Patna Jn - 800007	Wednesday, August 31, 2022

BRANCH	NEW ADDRESS	OLD ADDRESS	DATE OF CHANGE
Ranchi	Nr. Renault Car Service Center Old Balaji Dal Mill Compound Khadgarha Ratu Road Ranchi - 834001	Nr. Kishorganj Chowk Harmu Road, Ranchi - 834001	Friday, July 01, 2022
Sivakashi	312, Kamarajar Road Near Railway Station Sivakashi - 626123	SRT Logistics Ashok Calender Compound Thiruthangal Road Sivakashi - 626130	Saturday, January 01, 2022
Sivakashi-2	219 Maruthupandiyar Mettu Street Durairaj Nadar Rice Mill Compound Sivakashi - 626123	45, PKSA Arumugam Road Sivakashi - 626123	Friday, May 06, 2022
Vapi	Plot No. 165A-14 Phase-II Behind Seema Weigh Bridge, GIDC Vapi - 396195	Plot No. 165/B-12 Phase-II Opp Dadra Paper Mills, GIDC Vapi - 396195	Tuesday, June 07, 2022
Bargarh	RMC Road, NR. Central Wearhousing Corporation, Bargarh-768028	Behind of Ganpati Hotel Old FCI Godown, Bargarh - 768028	Friday, May 12, 2023
Bawana	Gdn No: 16 Gali No: 4, Firni Road, Pooth Khurd, Bawana Delhi - 110039	Gdn No: 14 Gali No: 4, Firni Road, Pooth Khurd, Bawana Delhi - 110039	Wednesday May 17, 2023
Gandhi Nagar	X/917, Chand Mohalla Jheel Chowk Delhi - 110031	10/44, Geeta Colony, Near Silai Centre, Delhi-110031.	Wednesday May 17, 2023
Shahdara	621/15-16, 60 Foota Road 18 Quater Chowk, Vishwas Nagar, Shahdara Delhi - 110032	10/125,18,Quater, Vishwas Nagar, Shahdara Delhi - 110032	Wednesday May 17, 2023
Ahmedabad	93-94, Transport Nagar, Near Parichay Hotel, Aslali-382427, Ahmedabad (Guj.)	FF- 1-2-& 6.,Swastik Centre Opp Narol Transport Nagar Nr. Gokulesh Petrol Pump, Narol Ahmedabad - 382405	Tuesday, April 25, 2023

DETAILS OF BRANCHES CLOSED DURING PRECEDING 2 (TWO) FINANCIAL YEAR:		
BRANCH	**ADDRESS**	**DATE OF TERMINATION**
Forbesganj	28, R.B.Lane Forbesganj - 854318	Tuesday, January 25, 2022
Alwar	Swarg Road, Alwar-301 001 (Raj.)	Thursday, March 23, 2023
Jamnagar	Plot No:127, GIDC,Ph-II Near Manavta Chowk Dared, Jamnagar - 361004	Tuesday, March 28, 2023
Junagarh	Opp. Akash Weighbridge, Dhoraji Road, Nr. Bypass Cross, Road Junagarh - 362001	Thursday, April 01,2021
Bhadrak	Bhadrak Hume Pipe Industries, Compound Math Sahi, N.H.-6, Bhadrak - 756100	Wednesday, March 10, 2021

The above changes or termination of branches were in normal course of business and these changes did not have any material adverse effect on our business operations.

7. ***We rely on automated ERP software for network infrastructure, that comprises of our logistics and transportation facilities, for our business operations. We may not be able to manage our growth if we are not able to maintain or expand our network infrastructure.***

We have established transportation network infrastructure, mainly comprising of warehousing, warehouse management, logistics facilities, distribution facilities, and our transportation facilities, which include our owned trucks and trucks and vehicles leased from third party fleet partners. Our ability to scale our network infrastructure in a calibrated manner, while leveraging our technology, is key to our business growth and may require substantial capital expenditures. The amount and timing of additional

capital expenditures will depend on various factors, including our forecasted shipment volume and our ability to locate and lease suitable facilities in appropriate locations on commercially acceptable terms. Our efforts to maintain and expand our network infrastructure or manage such expansion may be unsuccessful. If we expand too rapidly, we may encounter financial difficulties in a business downturn if the demand for our services falls short of our increased capacities. On the other hand, if we fail to expand our network at the necessary pace, we may lose potential customers and market share, or a portion of our existing customers' business to our competitors. We may also not be able to locate desirable alternative sites for our facilities as our business continues to grow, as we compete with other businesses for premises at certain locations or of desirable scale or quality. We may be pressured to pay higher rent for the desirable sites for our facilities due to competition which may result in lower profitability and cash flows. Moreover, in renting and setting up new logistics facilities, we may incur additional expenses to design the facility to suit our business purpose and purchase the necessary equipment. We may fail to identify the optimal location for our new logistics facilities or design them in such a way that enables us to derive optimal returns on our investments. Moreover, we may not be successful in keeping up with technological and automation improvements or finding suitable automation solutions that meet our needs. The cost of implementing new technology or automation or expanding our network infrastructure can be high and we may not be able to recover such cost if the expected efficiencies realised from such technology, automation orexpansion is not as anticipated or realized at all. We may choose to fund the expansion of our network infrastructure by incurring debt or seeking additional sources of equity financing, which could also affect our future financing costs as well as our overall cash flows, financial condition, and results of operations. Our investments in our logistics facilities and transportation vehicles may not realize the threshold returns. Furthermore, our ability to expand our network depends on our ability to obtain the requisite approvals and permits, as well as securing strategic and desirable locations for our logistics facilities. If we fail to obtain the requisite approvals or permits or are unable to secure strategic locations for our logistics facilities, our business and operations could be adversely affected.

However, in the past we have not encountered any major maintenance issue with ERP system which had any material adverse impact on the business, but there is no assurance it will not occur in future.

8. Lack of experienced drivers in the market may adversely affect our business, results of operations and financial condition.

Our goods transportation and packers and movers' business are significantly dependent on our ability to attract, recruit and retain enough experienced drivers. We face significant competition in attracting, recruiting, and retaining experienced drivers. A shortage of experienced drivers in the transportation industry could force us to further increase driver compensation, which could reduce our profit margins or hire third-party owned trucks, which may not be available at commercially viable rates or at all. A shortage of drivers for our operations could affect our ability to meet delivery schedules or provide quality services. Further, we may be forced to increase our reliance on hired transportation, decrease the number of pickups and deliveries we are able to make, increase the number of our idle vehicles or limit our growth, any, or all of which could have a material adverse effect on our business, results of operations and financial condition. The Company mainly deploys third party trucks for its business and in case of trucks owned that are owned by the Company there were no such incident in the past that had any significant on business impact due to non-availability of experienced drivers.
In the past, our Company has not encountered any situation involving lack of experienced drivers in the market that had any material adverse effect on our business, results of operations and financial condition, but there is no assurance it will not occur in future.

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

Our business operations in the goods transportation business are dependent on the road network. There are various factors which affect road transport such as political unrest, bad weather conditions, natural calamities, regional disturbances, fatigue or exhaustion of drivers, improper conduct of the drivers/ motormen, accidents or mishaps and third-party negligence. Even though we undertake various measures to avoid or mitigate such factors to the extent possible, some of these could cause extensive damage and affect our operations and/ or condition of our fleet and thereby increase our maintenance and operational cost. Also, any such interruption or disruptions could cause delays in the delivery of our consignments to their destination and/ or also cause damage to the transported cargo. However, there were no instances of disruptions or delays in the delivery of consignments to their destinations and/ or damage to the transported cargo in last three years. We may be held liable to pay compensation for losses incurred by our customers in this regard, and/ or losses or injuries sustained by other third parties. Further, such delays and/ or damage may cause a loss of reputation, which, over a period could lead to a decline in business. If the goods to be delivered have a short shelf life, any delay in the delivery of such cargo could also expose us to additional losses and claims. Although, some of these risks are beyond our control, we may still be liable for the condition of such cargo and their timely delivery, and any disruptions or delays could adversely affect us and lead to a loss of reputation and/or profitability.

10. Shortage of owned vehicles for use in our goods transportation operations may result in additional costs for third party hired vehicles. An inability to hire third party vehicles in such circumstances may also lead to consignment delivery delays, leading to customer dissatisfaction and loss of business.

Although we have a large fleet of goods transportation vehicles, we also hire a significant number of vehicles for our goods transportation operations, particularly during peak periods. Third-party vehicles generally yield lower payload capacity compared to our own customized vehicles with lighter and longer bodies enabling higher payload capacity. Hiring third party vehicles also significantly increases operational expenses. In addition, availability of third-party vehicles may be uncertain during periods of high demand. In addition, we do not have any control over the servicing and maintenance of these vehicles. Any non-availability of hired trucks or other vehicles, delay in obtaining them and/ or break down, on-road repairs or service interruptions may result in loss of orders, delays in delivery of cargo which could lead to customer dissatisfaction and loss of business, which in turn could adversely affect our business, results of operations and financial condition. The company has total 74 (Seventy-Four) vehicles and all vehicles are owned by the company. Further, the issuer Company hereby undertakes that the Issuer/ subsidiaries to Promoter/Promoter Group/ Directors/ KMPs or any other associate entity have no conflict of interest with any of third party mentioned herein. The Company mainly deploys hired vehicles for its goods transportation business and there has been no shortage of its owned vehicles that has resulted in any adverse additional cost in the past.

The Company mainly hires third party vehicles for its goods transportation business and in the past there has not been any significant incident where The Company need to incur any significant additional cost due to shortage of owned vehicles and hiring of third party vehicles. However, there is no assurance about non-occurrence of such event in future.

11. An inability to pass on any increase in operating expenses, particularly fuel costs, to our customers may adversely affect our business and results of operations.

Fuel costs, toll charges and rent represent some of our most significant operating costs and an increase in such costs or inability to pass on such increases to our customers will adversely affect our results of operations. Our business is characterized by high fixed costs, principally due to the ownership of goods transportation vehicles and buses. In particular, the cost of fuel has increased in recent years and fluctuates significantly 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 availability of alternative fuels. Although historically we have generally been able to pass on any increases in the cost of fuel or other operating costs to our customers through periodic increases in our freight rates or bus ticket prices, there can be no assurance that we will be able to pass on any such increases in the future to our customers either wholly or in part, and our profitability and results of operations may be adversely affected.

In the past, due to inability of the Company in passing on the increase in operating expenses, especially fuel costs, to customers there has not been any significant material impact in financial performance. But there is no assurance that such events may not occur in future.

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

In the Financial Year ending March 31, 2022, March 31, 2021, and March 31, 2020, we have entered several related party transactions with entities under common control and our directors. In addition, we have in the past also entered transactions with other related parties. For further please refer to the section titled ***'Financial Statements'*** beginning on page 77 of this Letter of Offer.

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

We might enter into related party transactions in future due to probability of renewal of Lease Agreements as mentioned under section '***Business Overview***' titled as '***Lease Agreement***' on page no. 70.

13. Our Company has provided unsecured loans which are repayable on demand. Any demand from lenders for repayment of such unsecured loans may adversely affect our cash flows.

In the Financial Year ending March 31, 2022, our Company had Rs.2,340.43 Lakhs as unsecured loans from our promoters, which may be recalled at any time, with or without the existence of an event of default, on short or no notice. Such recalls on borrowed amounts may be contingent upon happening of an event beyond our control and there can be no assurance that we will be able to persuade our lender to give us extensions or to refrain from exercising such recalls, which may adversely affect our results of operations and cash flows.

The following table sets forth the details of unsecured loans:

Names of the parties	Existence of Relationship	Amount of Unsecured Loan (Rs. in Lakhs)
Mr. Utkarsh Jain	Promoter	1,902.18
Mr. Sunil Kumar Jain	Promoter	438.25
Total		**2,340.43**

In the past, there is no incidence of repayment of Promoters loan which had any significant negative impact on the cash flow. In case, promoters loan is repaid/recalled it may reduce the working capital of the Company and the Company, may need to borrow form Bank.

For further details, please refer to the section titled ***'Financial Information'*** beginning on page 77 of this Letter of Offer.

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

Our Company requires several regulatory licenses and approvals for operating its business. It is subject to several transportation laws and regulations which are liable to change based on new legislation and regulatory initiatives. Our Company is required to comply with various regulations in connection with restrictions which specify the actual weight to be carried by our vehicles, permissible emission limits or restrictions on the age of vehicles operating within certain States. Many of these approvals require renewal from time to time. Though the application for renewal of existing licenses/approvals will be made to the respective authorities as and when required, there can be no assurance that the relevant authority will renew any of such licenses/approvals. If our Company does not receive the requisite approvals/licenses, our business operations may be adversely affected.

Mentioned below is the list of all licenses and permits required by our Company:

Sr. No.	Name/ Type of approval/license/permit	Date of Issuance	Issuing Authority	Validity	Document No.
1	The Carriage by Road Act	03/12/2015	S.T.A. Delhi	03/01/2025	RT/52/2015
2	FSSAI License	06/11/2013	Central Licensing Authority FSSAI	05/11/2023	10012011000700
3	EPF Registration	01/11/1979	Ministry of Labour & Employment	Valid until Cancelled	DLCPM0005410000
4	ESI Registration	05/01/1983	Ministry of Labour & Employment		11000079840001006
5	MTW Act Registration	13/05/2022	Labour Department U.P.	31/12/2024	UPMTA09000101

Note: The Company has applied for renewal of Recommendation accorded to Transport Operators license with India Bank's Association bearing Document No. DLN-1351 on 06.02.2023.

Further, these permits, licenses, and approvals are subject to several conditions and our Company cannot assure that it shall be able to continuously meet the conditions, and this may lead to cancellation, revocation, or suspension of relevant permits, licenses and/or approvals. Failure by our Company to renew, maintain, or obtain the required permits, licenses, or approvals may result in the interruption of our Company's operations and may have a material impact on our business. For further details regarding statutory approvals, please refer to the section titled ***'Government and other Approvals'*** beginning on page 140 of this Letter of Offer.

15. The increase in the age of our vehicles and an increase in the prices of new vehicles may adversely affect our business and results of operations.

As the age of our fleet increases, we expect maintenance costs related to our fleet to also increase. We may also have to acquire new vehicles to expand our business or to manage operational efficiencies and reduce cost of maintenance. Unless we continue to expand and upgrade our fleet of goods transportation vehicles and acquire such vehicles on commercially favorable terms, our aging fleet may result in increased operating and maintenance costs. In case we must purchase new transportation vehicles / trucks, we will have to incur capital expenditure or avail vehicle loans. We cannot guarantee that we will be able to do so on favorable terms, or in a timely manner, or at all. Further, in case purchase of new vehicles, there will be cash outflow, which may adversely affect our liquidity position and financial performance.

16. The transport industry is affected by numerous factors that are beyond our control.

Businesses operating in the transport industry are affected by numerous factors that are out of their control, including weather conditions, both as currently experienced and as might be experienced due to climate change, traffic conditions, road closures and construction-related and other delays. Further, time-consuming, and complex border crossing procedures cause significant journey time delays and poor journey time reliability on road movements. These events cause additional costs, both in terms of actual fees and charges for services provided, and because of time delays and unreliability in delivery. We cannot assure you that

these factors and conditions will not delay our cargo deliveries and delivery of our packing and moving services, impact our ability to operate without disruption or otherwise have a material adverse effect on our business, financial condition, and results of operations. In addition, many local, state, and central transportation authority's levy tolls on vehicles for their use of highways and other roads. As the need for improvements to these highways and other roads arise, we expect that many of these tolls may be increased and that other transportation authorities will levy additional tolls and fees on vehicles for use of the roadways. We cannot assure you that we will be able to pass any portion these expenses on to our customers, and any failure to do so could have a material adverse effect on our business, financial condition, and results of operations.

17. ***We are subject to restrictive covenants under our financing agreements that could limit our flexibility in managing our business or to use cash or other assets.***

Typically, restrictive covenants under financing documents of our Company relate to obtaining prior consent of the lender for events or actions including the following:

- Any change in shareholding of our Promoters;
- Any change in the capital structure of our Company;
- Any additional borrowings;
- Any encumbrance or security over charged assets;
- Change in the ownership or control of our Company, resulting in any change in the beneficial ownership;
- Create any further charge over the asset provided as security without Bank's prior approval;
- Any material change in the management of our Company;
- Invest by way of share capital in or lend or advance to or place deposits with any other concern (normal trade credit or security deposit in the routine course of business or advances to employees can, however, be extended);
- Implement any scheme of expansion or acquire fixed assets like land and buildings. (However, purchase of assets should be made out of own funds or through borrowings made specifically for this purpose.)
- Any scheme of merger, amalgamation, compromise or reconstruction;
- Any change in the constitutional documents of our Company;
- Pre-paying any indebtedness incurred by our Company;
- Declaring any dividend on share capital of the Company, if our Company has failed to meet its obligations to pay the interest and/or commission and/or instalment or installments and/or other moneys payable to the lender, so long as it is in such default;
- Selling, assigning, mortgaging or otherwise disposing of any of the fixed assets charged to the lender;
- Undertaking any new business, operations or projects or substantial expansion of any current business, operations or projects;
- Undertake guarantee obligations on behalf of any third party or any other company;
- Any contractual obligation of a long-term nature or affecting our Company financially to a significant extent; and
- Any change to the general nature of the business of the Company

In addition, such restrictive covenants may also affect some of the rights of our shareholders and our ability to pay dividends if we are in breach of our obligations under the applicable financing agreement. Such financing agreements also require us to maintain certain financial ratios.

Any failure to service our indebtedness, perform any condition or covenant or comply with the restrictive covenants could lead to a termination of one or more of our credit facilities, acceleration of amounts due under such facilities and cross-defaults under certain of our other financing agreements, any of which may adversely affect our ability to conduct our business and have an adverse effect on our financial condition and results of operations.

The details of our Top Lenders along with the outstanding amount as on date of filing this Letter of Offer is as under:

Sr no.	Bank Name	(Rs. In Lakhs)
1	DBS Bank India Limited.	2,486.97
2	Kotak Mahindra Bank Limited.	5,580.40
3	**Secured Loan**	
	BMW Financial Services	79.29
	HDFC Bank Limited	776.37
4	**Unsecured Loan from Directors**	

Sr no.	Bank Name	(Rs. In Lakhs)
	Sunil Kumar Jain	449.75
	Utkarsh Jain	1,931.68
5	**Unsecured Loan from Corporates**	
	Dhankash Distributors Pvt. Ltd.	400.00
	Vidhya Laxmi Agencies Pvt. Ltd	100.00
	TOTAL	**11,804.46**

18. We are dependent on our Promoters, directors, and key managerial personnel of our Company for success whose loss could seriously impair the ability to continue to manage and expand business efficiently.

Our Promoters, Directors and key managerial personnel collectively have vast experience in the industry and are difficult to replace. They provide expertise which enables us to make well informed decisions in relation to our business and our prospects. For further details of our Directors and key managerial personnel, please refer to section titled ***'Our Management'*** beginning on page 73 of this Letter of Offer. Our success largely depends on the continued services and performance of our management and other key personnel. The loss of service of the Promoters and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. Also, the loss of any of the management or other key personnel may adversely affect the operations, finances, and profitability of our Company. Any failure or inability of our Company to efficiently retain and manage its human resources would adversely affect our ability to expand our business. Further, our future performance will depend upon the skills, efforts, expertise, and continued services of these persons and our ability to attract and retain qualified senior and mid-level managers. The loss of their services or those of any other members of management could impair our ability to implement our strategy and may have a material adverse effect on our business, financial condition, and results of operations.

19. Claims relating to accident or damage to third party resulting in personal injury, death or loss that are not adequately insured may adversely affect our business, results of operations and financial condition.

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 or damage to property arising from accidents or incidents involving vehicles operated by us. Our drivers as well as other users are subject to the risk of accident, injury or death. Should such an event materialize, we may be exposed to multiple claims for negligence, or other civil and criminal sanctions. While we maintain insurance coverage at levels and for risks that we believe are customary in the goods and logistics industry in India, we cannot assure 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 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 our business partners, 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. However, there were no such instances of personal injury, death or loss in the past as adequate insurance was in place.

Majority of the assets are covered under insurance. Table of total assets and percentage of assets covered under insurance (%) provided as under:

PROPERTY, PLANT, EQUIPMENT AND OTHER ASSETS

(Rs. in Lakhs)

Particulars	Computers	Office Equipment	Furniture and Fixtures	Electrical Installation and Fittings	Lorry and Trucks (SLM)	Cars, Scooters and Cycles	Land	Building	Total Assets
As on March 31, 2022 (Amt)	11.56	4.25	6.01	0.74	564.75	127.27	33.21	119.44	867.22
Total Quantity	200	125	450	30	74	Car-17 Scooter-85	4	11	996
Total Quantity insured	13	No	No	No	74	Car-17 Scooter-85	No	2	191
Amount of Assets	0.43	Nil	Nil	Nil	564.75	127.27	Nil	11.45	703.90
Percentage of assets covered under insurance (%)	3.72%	Nil	Nil	Nil	100%	100%	Nil	9.59%	81.17%

(Rs. in Lakhs)

Particulars	FINANCIAL YEAR				
	2018	2019	2020	2021	2022
Revenue in Rs.	38,487.20	34,292.13	37,629.94	23,058.64	25,042.77
Claim in Rs.	35.86	125.36	75.62	36.78	68.88
Percentage	0.09%	0.37%	0.20%	0.30%	0.28%

The above table provides the details of the claims paid for the preceding 5 (five) financial years. For the financial year 2018, the Company paid claims amounting to Rs.35.86 lakhs aggregating to 0.09% of revenue, while there was rise in claims in the year 2019 amounting to Rs.125.36 lakhs aggregating to 0.37% of revenue. In 2020, there was sharp drop in insurance claims amounting to Rs.75.62 lakhs at 0.20% of the revenue. For Financial year ending 2022, claims amounted to Rs.68.88 lakhs at 0.28% of the revenue.

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

Our Company may retain all our future earnings, if any, for use in the operations, and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate.

21. We operate in a highly competitive industry and, if we are unable to adequately address factors that may adversely affect our revenue and costs on account of increased competition, our business would suffer.

We operate in a very fragmented, unorganized, and competitive industry. Increased competition may lead to revenue reductions, reduced profit margins, or a loss of market share, any one of which could harm our business. There are many factors that could impair our ability to maintain our current profitability, including the following:

- Competition with other companies offering complete logistic solutions, some of which may develop a broader coverage network, and greater capital resources than we do;
- Reduction by our competitors of their freight rates to gain business, especially during times of declining growth rates in the economy, which may limit our ability to maintain or increase freight rates, maintain our operating margins, or maintain significant growth in our business;
- Solicitation by customers of bids from multiple carriers for their transportation needs and the resulting reduction of freight rates or loss of business to competitors;
- Development of an operational model similar to ours by a competitor with sufficient financial resources and comparable experience in the logistics services industry;
- Establishment of better relationships by our competitors with their customers; and
- The small unorganized players at a regional level may not comply with applicable statutory and regulatory requirements and due to which they may be able to operate at lower cost and consequently offer lower prices than us.

If we are unable to effectively compete with other players in the goods transport industry, whether based on pricing, services or otherwise, we may be unable to retain existing customers or attract new customers, which could have a material adverse effect on our business, financial condition, and results of operations.

22. Disruptions or failures in our information technology systems may affect our operations. Further, our operations rely significantly on our in-house technologies and processes.

Our business is significantly dependent on the efficient and uninterrupted operation of our information technology infrastructure that connects our various branches. We are dependent on our in-house technologies and processes for several functions, including financial and operational controls, vehicle maintenance, tracking of consignments.

Our operations are vulnerable to interruption by fire, earthquake, power loss, telecommunications failure, terrorist attacks, internet failures, computer viruses, and other events beyond our control. Any breaches of our information technology systems may require us to incur further expenditure to set up more advanced security systems to prevent any unauthorized access to our networks. In the event of a significant system failure, our business could experience significant disruption which could have a material adverse effect on our business, results of operations and financial condition. However, there have been no instances of technology failure in the past.

If our information technology systems are unable to handle additional volume for our operations as our business and scope of services grow, our service levels, operating efficiency and future freight volumes may decline.

In addition, we expect customers to continue to demand more sophisticated, fully integrated information systems from their transportation and logistics service providers. If we fail to hire qualified personnel to implement and maintain our information technology systems or fail to upgrade or replace our information technology systems to handle increased volumes, meet the demands of our customers and protect against disruptions of our operations, we may lose orders and customers which could adversely affect our business.

Further, some of our existing technologies and processes in the business may become obsolete, performing less efficiently compared to newer and better technologies and processes in the future. The cost of upgrading or implementing new technologies, upgrading our existing equipment, or expanding capacity could be significant and could adversely affect our results of operations.

23. We are dependent on various third parties for adequate and timely supply of equipment and maintenance of our vehicles, and any delays or increases in cost related thereto may adversely affect our business.

We are dependent upon certain key suppliers and vendors for our vehicles and equipment including our goods transportations vehicles, trucks, buses, tyres, materials required to design and build bodies for our vehicles, and associated equipment and spare parts. There can be no assurance that such suppliers will continue to supply such vehicles, equipment, spares, tyres or other materials in quantities or prices that are commercially acceptable to us or at all. Events beyond our control may have an adverse effect on the cost or availability of raw materials, components, and spare parts.

In the past, the Company has not faced any material adverse impact on business due to inadequate and delayed supply of equipment from third parties and maintenance of our vehicles, and any significant delays or increase in relation to their costs. There is no assurance that the Company will be able to arrange timely supply of equipment in future.

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

Our transportation services and our packing and moving business are manpower oriented and any misconduct or errors made by our drivers, fieldworkers or other employees will significantly affect our relationships with our customers.

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation. Such employee misconduct includes breach in 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. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which we may result in write-off of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions in such case, our reputation, business prospects, results of operations and financial condition could be adversely affected.

In the past, we have not encountered any significant adverse effect on our financial condition, results of operations and reputation due to employee misconduct and errors. However, there is no assurance about non-occurrence of employee misconduct in future.

25. Change in the Auditor of our Company before expiry of the appointed term may affect our credibility and Goodwill.

A statutory auditor of a company is responsible for verifying the correctness of the accounting records of the company. But a sudden withdrawal in performing the duties of Statutory Auditor may act as a sign of some irregularities occurring in the Company, unless such a withdrawal is due to factors beyond control of the Company or the Statutory Auditor. During the past, *M/s Raj Achint & Associates*, Chartered Accountants (Firm Registration No. 022023N) was appointed for the period of 5 years from the conclusion of 32nd AGM held on September 28, 2017 till the conclusion of the 37th AGM held in year 2022 but he

tendered the resignation with effect from 3rd September, 2021 due to health issues specially post Covid complications. However, there is a possibility that the Auditors may resign prior to completion of their tenure.

26. Demand for our services may decrease during an economic recession which may adversely affect our profitability and financial condition.

The transportation industry historically has experienced cyclical fluctuations in financial results due to economic recession, stagnancy in freight rate movements, downturns in business cycles of our customers, fuel shortages, price increases by carriers, interest rate fluctuations, and other economic factors beyond our control. In such events, the operating expenses are higher, and if we are unable to pass through to our customers the amount of higher transportation costs, our gross profits and income from operations may decrease. If economic recession or a downturn in our customers' business cycles causes a reduction in the volume of goods transported by those customers, our operating results could also be adversely affected.

In the past, occurrence of Covid-19 outbreak was the major event where the economic activities were decreased due to economic recession. Due to this, the sales and profitability of the Company was impacted significantly, details of which are as under:

(Rs. in Lakhs)

Particulars	2022	2021	2020
Revenue	25,042.77	23,058.64	37,629.99
Profit	425.75	143.01	638.96

27. Our inability to manage growth could disrupt our business and reduce our profitability.

A principal component of our strategy is to continue to grow by expanding the size and geographical scope of our businesses. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial, and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values, and entrepreneurial environment, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition, and adversely affect our results of operations.

28. Our funding requirements and proposed deployment of the Net Proceeds of the Issue are based on management estimates and have not been independently appraised, and may be subject to change based on various factors, some of which are beyond our control.

Our funding requirements and the proposed deployment of the Net Proceeds of the Issue are based on management estimates, current quotations from suppliers and our current business plan, and have not been appraised by an independent entity. Furthermore, in the absence of such independent appraisal, or the requirement for us to appoint a monitoring agency in terms of the SEBI Regulations, the deployment of the net proceeds is at our discretion. We may have to revise our expenditure and funding requirements as a result of variations in costs, estimates, quotations or other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling planned expenditure and funding requirements at the discretion of our Board. Further, current agreement from suppliers are only valid till March 31, 2026. However, any delay beyond this time may result into legal complexities or an increase in price.

The deployment of fund is dependent upon progress of the work by the contractor and in case there is any unforeseen delay in work, the deployment of fund would take longer than estimated.

Further we intend to utilize Rs.1,585.24/- from the Net Proceeds of the Issue for general corporate purposes. The management has not made any specific commitments with respect to utilization of the Net Proceeds of the Issue that will be raised for general corporate purposes and therefore, will not be able to make adequate disclosures with regard to such utilization. See also, the segment on '**General Corporate Purpose**' in the section '**Objects of the Issue**' on page 55 of this Letter of Offer.

However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoter shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same.

29. The Promoter and Promoter Group will continue to exercise control post completion of the Issue and will have considerable influence over the outcome of matters.

Upon completion of this Issue, our Promoters and members of the Promoter Group will continue to own a majority of our Equity Shares. As a result, our Promoters and members of the Promoter Group will have the ability to exercise significant influence over

all matters requiring shareholders' approval. Our Promoters and members of the Promoter Group will also be in a position to influence any shareholder action or approval requiring a majority vote, except where they may be required by applicable law to abstain from voting. This control could also delay, defer, or prevent a change in control of our Company, impede a merger, consolidation, takeover, or other business combination involving our Company, or discourage a potential acquirer from obtaining control of our Company even if it is in the best interests of our Company. The interests of our Promoters and members of the Promoter Group could conflict with the interests of our other equity shareholders, and the Promoters and members of the Promoter Group could make decisions that materially and adversely affect your investment in the Equity Shares.

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

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

There were a few delays in regulatory filings made with ROC during last 3(Three) financial years which are as provided as below:

Form	Purpose	Date	Date of passing Special Resolution	Delay
2019-2020				
MGT-14	To avail loan facility from Axis Bank	Monday, July 01, 2019	Thursday, May 30, 2019	2 days
CHG-1	Creation of Charge with Axis Bank	Wednesday, August 07, 2019	Friday, June 14, 2019	22 days
CHG-1	Modification of Charge with DBS Bank	Tuesday, February 25, 2020	Friday, December 27, 2019	31 days
2020-2021	**No late filings**			
2021-2022				
ADT-3	Resignation of Statutory Auditor	Tuesday, October 05, 2021	Friday, September 03, 2021	2 days
MGT-14	Appointment of Internal Auditor	Tuesday, June 14, 2022	Monday, February 14, 2022	90 days
MGT-14	Approval of Accounts	Tuesday, August 09, 2022	Monday, May 30, 2022	41 days

Following are the details of Late Fees paid to Stock Exchange in last 3(Three) financial years.

SEBI (LODR) Regulation	Purpose	Date of compliance	Amount
Regulation 23(9)	Non-compliance with disclosure of related party transactions on consolidated basis for 1 day	As on July 14, 2022	5000 + GST@18% i.e. 900 =5900 paid to both NSE & BSE

There is no Non-compliance with respect to Regulatory filing of ROC & SEBI. In the past, there were a few delays in regulatory fillings, although these delays were accidental and had some other sufficient cause and was not of a nature to prejudice the position of the shareholders, creditors or other external parties. There are no Delays and non-compliances with respect to regulatory filings under corporate actions.

DETAIL OF DELAY IN AMOUNT IN ESIC

Year	Total Amount	No. of Instances	Amount Range		Day's of Delay Range	
2019-20	1,35,17,624	580	295	10,91,972	-61	-2
2020-21	89,99,520	523	83	9,80,956	-170	-1
2021-22	17,21,641	546	135	47,812	-55	-1

Following measures are taken by the Company to avoid such non-compliances in the near future:

i. Conduct regular Internal Audits to focus on the financial, operational, technological or regulatory aspects of the organization.

ii. Tracking the change in laws and procedures in order to make sure laws and regulations are identified which apply to our organization and stay on top of changes.

iii. Hire Specialist or involve consultants to ask for advice when needed, to ensure actions and procedures are compliant.

31. ***Our intellectual property right may be infringed upon or we may infringe the intellectual property rights of third parties.***

Our Company's logo (Device) and our Company's Name '**NORTH EASTERN CARRYING CORPORATION**' are both registered Trademarks and are permitted to be used till December 18, 2025. There is no assurance that our Trademark will not be infringed upon or on a later date it will be renewed on time. Depending on whether we are able to discover any such infringement of our Trademark or successfully enforce our legal rights in the jurisdictions where such infringements may occur, our business and branding may suffer as a result of any misuse of our trademark. In such circumstances, our reputation and business may be adversely affected. Further, if we decide to pursue action against such infringements to protect our reputation, it could result in diversion of our resources and our financial results may be adversely affected.

Similarly, we may also infringe the intellectual property rights of third parties in the use of our Trademark in our operations. Although we are not aware of any such infringement by us, there is no assurance that we will not infringe or have not infringed the intellectual property rights of any third party. In the event of any such infringement, we may be subject to our claims or actions and our business, reputation, financial condition and results of operations may be adversely affected. Further, while filing renewal application for registration if the same is not accepted or if there are oppositions filed against the trademark application if any, are successful, our company may lose the statutory protection available to it under the Trademarks Act, 1999 for such trademarks there affecting our business, reputation, financial condition and results of operations.

In the past, there have been no significant instances of dispute with respect to the trademarks/ intellectual property registrations owned by the Company or rejections of Trademark applications made by our Company neither there was any instance of infringement of Company's Intellectual Property Rights by third party.

32. ***As the securities of our Company are listed on BSE/ NSE in India, our Company is subject to certain obligations and reporting requirements under the Income Tax Act, rules and regulations. Any non-compliances/delay in complying with such obligations may render us liable to prosecution and/or penalties.***

The Company has been registered under Income Tax Act, therefore we are subject to the obligations prescribed under the Income Tax Act, rules and regulations. The company is generally regular in depositing the statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities in India. According to the information and explanation given to us, there were no outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable. Our Company endeavors to comply with all such obligations/reporting requirements, however there have been instances in the past of delayed compliances. 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.

33. ***Outstanding litigations filed by and against our Company, our Directors, Promoters and Promoter Group.***

Particulars of all Criminal matters initiated by or against the Company, Group, Promoters, Directors which are at FIR stage:

Particulars	Total no. of cases	No. of cases where amount is unascertainable	No. of cases where amount is ascertainable	Amount Involved (Rs. in Lakhs)
By the Company	21	Nil	21	64.44
Against the Company	9	Nil	9	28.69

Outstanding Demand showing against the Company are as follows:

Particulars	Number of cases	Amount (Rs. in Lakhs)
GST Litigation matter in West Bengal	1	Rs.55.08

Our Company has deposited the amount of penalty before the Adjudicating Authority as the matter is pending but has not shown any effect in the Profit and Loss. If the decision is not in favor of our Company, we will have to book the above amount as an expense and thus, will impact our profitability.

Particulars	Number of cases	Assessment Year	Amount (Rs. in Lakhs)
Direct Tax litigation matter pending before Commissioner of Income tax (Appeals)	1	2013-14	Rs.1.54

Considering the nature of the business wherein Drivers and Helpers handles the goods, owned by customers without knowing and understanding the value. Though Company take enough precautions but since these legal cases were due to mishandling of

goods by driver or certain issues with the material of other consigner in same vehicles, it is difficult to rule out the possibility of similar more cases in future as well. Therefore, risk of furthermore similar cases cannot be ruled out. The existing litigation are not so major that the issuer's survival is dependent on the outcome of the pending litigation. It may be noted, as on date there are no pending litigation against our Company, our Directors, Promoters and Promoter Group which is beyond the materiality threshold as per the Materiality Policy of the Company.

For further details, kindly refer to the section titled '***Outstanding Litigations, Defaults and Material Developments***' beginning on page 137 of this Letter of Offer.

34. Recovery of Dishonored Demand Bill by third party through legal proceedings may adversely affect the financial health of the Company.

Considering the practice used by Transporter and their clients, earlier this was a great risk but since now physical document handling of LR/Hundies/Delivery note etc. are documents of past so Company do not envisage this risk but if client insists of physical document, this will lead to a big risk not only for Company but for whole Transport Sector.

35. Material Agreements that our company has entered may be terminated, non-renewed or modified having adverse impact on our business operations and financial conditions.

Our Company is well established in the Indian transport Industry. Our unique consignment tracking system (NECC TRANSINFO) allows customers to track whereabouts of their consignment anytime anywhere online. We provide satisfactory service to a diverse clientele with total confidentiality, reliability and efficiency.

We depend on our network of agents for transportation, warehousing, and timely delivery at the destination and load port for export and import. Any deficiency in the service levels of our overseas agents or termination of any such agency agreement can directly impact our business. However, it may be noted that, there were no instance of termination, modification or non-renewal of Material Agreements that had an adverse impact on the financial health of the Company.

36. Technology failures, security breaches and cyber-attacks against our IT systems or advancements could disrupt our operations.

IT systems are critical to our ability to manage our operations and in turn, to maximize efficiencies and optimize costs. Faults may require repair by third party experts, which will entail costs and there can be no assurance that such issues will be rectified in time, or at all. Further, our IT systems enable us to support other business critical applications and human resource management systems. If we do not allocate and effectively manage the resources necessary to build and sustain the proper IT infrastructure, we could be subject to transaction errors, processing inefficiencies, customer service disruptions and, in some instances, loss of consumers. Furthermore, the schedule maintenance undertaken by us is based on the analysis of previous data. While no such instance has occurred in the past, any disruption or loss of such data may impact the maintenance services we provide to our customers which may adversely affect our results of operation and financial condition. However, we have adequate Data Security Policy in place.

Our IT systems, and the systems of our third party IT service providers may also be vulnerable to a variety of interruptions due to events beyond our control, such as, natural disasters, telecommunications failures cyber-attacks, including as a result of viruses, actions by hackers, malicious software, break-ins, phishing attacks, security breaches or other attacks and similar disruptions that may jeopardize the security of information stored in and transmitted by our systems or that we otherwise maintain. Any security breach could delay or interrupt our services to our customers and may deter our customers from approaching us for business. Failure to prevent or mitigate such security breaches and improper access to or disclosure of the data stored in our IT systems could result in the loss or misuse of such data, which could harm our business and reputation. The security measures we have integrated into our internal networks, which are designed to prevent or minimize security breaches, may not function as expected or may not be sufficient to protect our internal networks and platform against certain attacks and the cost of improving such measures could affect our results of operations. IT interruptions, system failures including pursuant to techniques used to sabotage or obtain unauthorized access to our IT systems and networks in which data is stored or through which data is transmitted change frequently, could materially and adversely affect our ability to realize the anticipated improvements in productivity and efficiency. In addition, technological advances from time to time may result in our systems, methods or operating facilities becoming obsolete. Failure to keep up to date with such changes could result in our competitors having an advantage over us, which could negatively impact our financial performance and reputation. Any significant upgrade to or replacement of our systems could require considerable capital expenditure, which could affect our results of operations, financial condition and prospects.

The Company has not encountered any significant Technology failure, security breaches and cyber-attacks against established IT systems or advancements that could disrupt business operations. But there is no assurance of such events not taking place in future.

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

The Directors of our Company, namely Sunil Kumar Jain, Mohak Jain, and Manoj Kumar Jain along with Shyam Lal Yadav (CFO) are unable to trace their educational qualifications and documents evidencing the same. Due to lack of documents and relevant information from these Directors and CFO, they have provided us with the affidavits confirming their educational qualifications. For further details, please refer to the chapters titled "***OUR MANAGEMENT***" on pages No.73 of this Letter of Offer.

ISSUE SPECIFIC FACTORS

38. *Our Company will not distribute the Offer Documents to certain overseas shareholders who have not provided an address in India for service of documents.*

Our Company will dispatch the Offer Documents to such shareholders who have provided an address in India for the service of documents or who are in jurisdictions where the offer and sale of the Rights Shares permitted under laws of such jurisdictions and in each case who make a request in this regard. The Offer Documents will not be distributed to addresses outside India on account of restrictions that apply to the circulation of such materials in various overseas jurisdictions. However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e-mail. Presently, there is a lack of clarity under the Companies Act, 2013, and the rules thereunder, with respect to the distribution of Issue Materials in overseas jurisdictions where such distribution may be prohibited under applicable laws of such jurisdictions. While we have requested all the shareholders to provide an address in India for the purposes of distribution of Issue Materials, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act and may subject us to fines or penalties.

39. *There is no public market for the Rights Shares or Equity Shares outside India.*

After this Issue, there will continue to be no public market for our Equity Shares in the United States or any country other than India. In addition, the holders of the partly paid-up Rights Shares will not be able to trade in these Equity Shares till they are credited to the holders' account as fully paid-up, and thereafter there will also be no public market for the Rights Shares outside of India. We cannot assure you that the face value of the Rights Shares will correspond to the price at which the Rights Shares will trade subsequent to this Issue. This may also affect the liquidity of our Rights Shares and Equity Shares and restrict your ability to sell them.

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

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for dilution of your percentage ownership of the equity share capital of our Company that may be caused because of the Issue. Renouncees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation (the last day for which is Thursday, June 22, 2023), such Renouncees will not be able to apply in this Issue with respect to such Rights Entitlements.

41. *SEBI has recently, by way of Rights Issue Circulars streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Letter of Offer.*

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI Rights Issue Circulars and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see ***'Terms of the Issue'*** on page 153 of this Letter of Offer.

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 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:

Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or

a. Equity Shares held in the account of IEPF authority; or

b. The demat accounts of the Eligible Equity Shareholder which are frozen or suspended for debit or credit or details of which are unavailable with our Company or with the Registrar to the Issue on the Record Date; or

c. Equity Shares held by Eligible Equity Shareholders holding Equity Shares in the physical form on the Record Date the details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar to the Issue; 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.

42. 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.

43. Investors shall not have the option to receive Rights Shares in physical form.

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

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

In accordance with the provisions of SEBI (ICDR) Regulations, the option to receive the Rights Shares in physical form will not be available after a period of 6 (Six) months from the effective date of the SEBI (ICDR) Regulations, being, May 10, 2019. Since the Rights Shares offered pursuant to this Issue will be allotted only after May 10, 2019, the entitlement of Rights Shares to be Allotted to the Applicants who have applied for Allotment of the Rights 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 to the Issue. Pursuant to a press release dated December 03, 2018, issued by the SEBI, with effect from April 01, 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);

45. The Rights Entitlement of Physical Equity Shareholders may lapse in case they fail to furnish the details of their demat account to the Registrar to the Issue**.**

In accordance with the SEBI Circular bearing reference number 'SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Equity Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Equity Shareholders are requested to furnish the details of their demat account to the Registrar to the Issue not later than 2 (Two) Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their demat accounts at least 1 (One) day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar to the Issue not later than 2 (Two) Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 03, 2018, issued by the SEBI, with effect from April 01, 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). For further details, please refer to the section titled ***'Terms of the Issue'*** on page 153 of this Letter of Offer.

46. Non-receipt of complete Call Money may have an impact of a consequential shortfall in Net Proceeds.

The Calls shall be deemed to have been made at the time when the resolution authorizing such call is passed at the meeting of our Board of Directors. The Call may be revoked or postponed at the discretion of our Board of Directors, from time to time. Pursuant to the provisions of the Articles of Association, the Investors would be given at least 30 (Thirty) days' notice for the payment of the Call. Our Board of Directors may, from time to time at its discretion, extend the time fixed for the payments of the Call. Our Company, at its sole discretion, may send reminders for the call as it deems fit, and if it does not receive the Call Money as per the timelines stipulated, it would forfeit the Application Money. Non-receipt of complete Call Money and a consequential forfeiture of the Application Money may lead to a shortfall in the Net Proceeds, which may have to be met out of internal accruals and may impact the business and capital expenditure plans. For further details, please refer to the section titled ***'Objects of the Issue'*** on page 55 of this Letter of Offer.

47. Our ability to pay dividends in the future will depend on our future earnings, cash flows, working capital requirements, capital expenditures and financial condition. Investors of Rights Shares are only entitled to dividend in proportion to the amount paid up and the voting rights (exercisable on a poll by investors) shall also be proportional to such investor's share of the paid-up Equity Share capital of our Company.

The amount of our future dividend payments, if any, will depend on various factors such as our future earnings, cash flows, financial condition, working capital requirements, capital expenditures and in accordance with applicable laws. We may decide to retain all our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on the Equity Shares. Additionally, in the future, we may be restricted by the terms of our financing agreements in making dividend payments unless otherwise agreed with our lenders. The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or the dividend amounts, if any, in the future. There is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in the future.

Further, with respect to the present Issue, investors are only entitled to dividend in proportion to the amount paid-up and the voting rights (exercisable on a poll by investors) shall also be proportional to such investor's share of the paid-up Equity Share capital of our Company.

48. You may be subject to Indian taxes arising out of capital gains on the sale of the Rights Shares and Rights Entitlement.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realised on the sale of listed equity shares on the Stock Exchanges held for more than 12 (Twelve) months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of Securities Transaction Tax, on the sale of any Equity Shares held for more than 12 (Twelve) months immediately preceding the date of transfer. Securities Transaction Tax will be levied on the seller and/or the purchaser of the Equity Shares and collected by the domestic stock exchange on which the Equity Shares are sold. Further, any capital gains realised on the sale of listed equity shares held for a period of 12 (Twelve) months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India as well as Securities Transaction Tax.

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident read with the Multilateral Instrument, if and to the extent applicable, and the seller is entitled to avail benefits thereunder. 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 a gain upon the sale of the Equity Shares.

No dividend distribution tax is required to be paid in respect of dividends declared, distributed, or paid by a domestic company after March 31, 2020, and, accordingly, such dividends would not be exempt in the hands of the Shareholders, both for residents as well as non-residents. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident Shareholder for the purposes of deducting tax at source pursuant to any corporate action, including dividends.

Similarly, any business income realised from the transfer of equity shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller. Additionally, in terms of the Finance Act, 2018, which has been notified on March 29, 2018 with effect from April 1, 2018, taxes payable by an assessee on the capital gains arising from transfer of long-term capital assets (introduced as Section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 10%, where the long-term capital gains exceed Rs.1,00,000 (Rupees One Lakh), subject to certain exceptions in case of resident individuals and Hindu Undivided Families.

Further, the Finance Act, 2019 made various amendments in the taxation laws and clarified that, in the absence of a specific provision under an agreement, the buyer will be liable to pay stamp duty in case of sale of securities through the Stock Exchanges, while the transferor will be liable to pay stamp duty in other cases of transfer for consideration through a depository. The stamp duty for transfer of securities other than debentures, on a delivery basis, is specified at 0.015% (Zero Point Zero One

Five Percent) and on a non-delivery basis is specified at 0.003% (Zero Point Zero Zero Three Percent) of the consideration amount. These amendments came into effect from July 01, 2020.

49. You may not receive the Equity Shares that you subscribe in the Issue until 15 (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 (Fifteen) 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, subjecting you to market risk for such period.

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

In terms of the SEBI (ICDR) Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political, or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the Applicant's decision to invest in the Rights Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares.

The Applicants shall not have the right to withdraw their Applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Rights Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

51. 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 equity 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 equity 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.

52. 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 applicable laws and regulations and the requirements of the BSE Limited, in-principle and final approvals for listing and trading of the Rights Shares issued pursuant to this Issue will not be applied for or granted until after the Rights Shares have been issued and allotted. Approval for listing and trading will require all the relevant documents authorising the issuance of Rights Shares to be submitted. Accordingly, there could be a delay in listing the Rights Shares on the NSE. If there is a delay in obtaining such approvals, we may not be able to credit the Rights Shares allotted to the Investors to their depository participant accounts or assure ownership of such Rights Shares by the Investors in any manner promptly after the Issue Closing Date. In any such event, the ownership of the Investors over Rights Shares allotted to them and their ability to dispose of any such Equity Shares may be restricted. For further information on issue procedure, please refer to the section titled ***'Terms of the Issue'*** beginning on page 153 of this Letter of Offer.

53. No market for the Right Entitlements may develop and the price of the Right Entitlements may be volatile.

No assurance can be given that an active trading market for the Rights Entitlements will develop on the Stock Exchanges during the Renunciation Period or that there will be sufficient liquidity in Rights Entitlements trading during this period. The trading price of the Rights Entitlements will not only depend on supply and demand for the Rights Entitlements, which may be affected by factors unrelated to the trading in the Equity Shares, but also on the quoted price of the Equity Shares, amongst others. Factors

affecting the volatility of the price of the Equity Shares, as described herein, may magnify the volatility of the trading price of the Rights Entitlements, and a decline in the price of the Equity Shares will have an adverse impact on the trading price of the Rights Entitlements. Since the trading of the Rights Shares will be on a separate segment compared to the Equity Shares on the floor of the Stock Exchanges, the trading of Rights Shares may not track the trading of Equity Shares. The trading price of the Rights Entitlements may be subject to greater price fluctuations than that of the Equity Shares.

We will not distribute the Issue Materials to overseas Shareholders who have not provided an address in India for service of documents. We will dispatch the Issue Materials to the shareholders who have provided an address in India for service of documents. The Issue Materials will not be distributed to addresses outside India on account of restrictions that apply to circulation of such materials in 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 lack of clarity under the Companies Act and the rules made thereunder with respect to distribution of Issue Materials in overseas jurisdiction where such distribution may be prohibited under the applicable laws of such jurisdictions. While we have requested all the shareholders to provide an address in India for the purposes of distribution of Issue Materials, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act and may subject us to fines or penalties.

54. 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 Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in 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.

55. 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.

56. SEBI operates an index-based market-wide circuit breaker. Any operation of a circuit breaker may adversely affect a shareholder's ability to sell, or the price at which it can sell, our Equity Shares at a particular point in time.

We are subject to an index-based market-wide circuit breaker generally imposed by SEBI on Indian stock exchanges. This may be triggered by an extremely high degree of volatility in the market activity (among other things). Due to the existence of this circuit breaker, there can be no assurance that shareholders will be able to sell our Equity Shares at their preferred price or at all at any particular point in time.

57. Investors in the Rights Shares may not be able to enforce a judgment of a foreign court against us or our management, except by way of a suit in India on such judgment.

We are a limited liability company incorporated under the laws of India and majority of our directors and all executive officers are residents of India. It may be difficult for the investors to affect service of process upon us or such persons outside India or to enforce judgments obtained in courts outside India.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes the United Kingdom, Singapore, Hong Kong, and the United Arab Emirates. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908. Judgments or decrees from jurisdictions, which do not have reciprocal recognition with India, cannot be executed in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us or our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within 3 (Three) years of obtaining such final judgment in the same manner as any other suit filed to

enforce a civil liability in India. If, and to the extent that, an Indian court were of the opinion that fairness and good faith so required, it would, under current practice, give binding effect to the final judgment that had been rendered in the non-reciprocating territory, unless such a judgment contravenes principles of public policy in India. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the RBI to repatriate any amount recovered pursuant to the execution of such a judgment.

58. Investment in Partly Paid Shares in the Issue is exposed to certain risks. The Partly Paid Shares of our Company will not be traded with effect from the Call Record Date fixed for the determination of the Investors liable to pay at the First and Final Call. The holders of the Partly Paid Shares will not be able to trade in these shares till they are credited to the holders' account as fully paid up.

The Issue Price of Partly Paid Shares offered under the Issue is Rs.18.00/-. Investors will have to pay Rs.9.00/- which constitutes 50.00% of the Issue Price on application and the balance Rs.9.00/- which constitutes 50.00% of the Issue Price on the First and Final Call made by our Company.

If the Investor fails to pay such amount, which is to be paid on application, the Rights Entitlement of such an Investor shall be forfeited by our Company. The Partly Paid Shares offered under the Issue will be listed under a separate ISIN for the period as may be applicable prior to the Call Record Date. An active market for trading may not develop for the Partly Paid Shares and, therefore, the trading price of the Partly Paid Shares may be subject to greater volatility than our Fully Paid Shares. If the Investor fails to pay the balance amount due with interest that may have accrued thereon (in accordance with the Articles of Association of our Company and applicable law), after notice has been delivered by our Company, then any of our Ordinary Shares in respect of which such notice has been given may, at any time thereafter, before payment of the First and Final Call and interest and expenses due in respect thereof, be forfeited by our Company.

The ISIN representing Partly Paid Shares may be frozen after the Call Record Date. On payment of the First and Final Call in respect of the Partly Paid Shares, such Partly Paid Shares would be converted into Fully Paid Shares and shall be listed and identified under the existing ISIN for the Ordinary Shares. Our Company would fix a Call Record Date for the purpose of determining the list of Allottees to whom the notice for First and Final Call would be sent. With effect from the Call Record Date, trading in the Partly Paid Shares for which First and Final Call have been made may be suspended for such period as may be applicable under the rules and regulations. The holders of the Partly Paid Shares will not be able to trade in these shares till they are credited to the holders account as Fully Paid Shares.

59. Our Company's financial health may have an adverse and negative impact in case the investors fail to pay the full amount against per rights equity shares.

If the Investors fail to pay the full amount, we may not be able to raise the amount proposed under the Issue and we may be unable to find alternative avenues to finance the objects of the Issue. Failure to find alternate avenues to source the objects of the issue in short period may have an adverse and negative impact on the financial health of our Company.

EXTERNAL RISK FACTORS

60. The novel coronavirus (Covid-19) pandemic outbreak and steps taken 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 outbreak of COVID-19 was recognized as a public health emergency of international concern on January 30, 2020 and as a pandemic by the WHO on March 11, 2020. In response to the COVID-19 outbreak, the governments of many countries, had/have taken preventive or protective actions, such as imposing country-wide lockdowns, as well as restrictions on travel and business operations. The Government of India had announced a nation-wide lockdown on March 24, 2020 and imposed several restrictions. While progressive relaxations have since been granted for movement of goods and people and cautious re-opening of businesses and offices, lockdowns may be reintroduced in the future. -19 outbreak and the discovery of a new strain of the coronavirus in the United Kingdom. Further the State Governments reinstated complete quarter of the current financial year.

The rapid spread of COVID-19 and global health concerns relating to this outbreak have had a severe negative impact on all businesses including retail sector. The COVID-19 pandemic could continue to have an impact that may worsen for an unknown period of time. While the Government of India and other governments in the world have initiated its COVID-19 vaccination drive, there is still some uncertainty relating to the impact of the COVID-19 pandemic on the global and the Indian economy, and we are unable to accurately predict the near-term or long-term impact of the COVID-19 pandemic on our business. Accordingly, if the uncertainty relating to the impact of the COVID-19 pandemic continues, our business operations may be

impacted adversely. Furthermore, even though all members of our team are duly vaccinated against Covid still in the event any member or members of our management or operations team being severely impacted by COVID-19, it may potentially affect our operations. The impact of COVID-19 pandemic on the overall economic environment still being uncertain. Any risks arising on account of a fresh round of COVID-19 such as in relation to lockdown, slowdown of economic activities, loss of life and debilitation of key personnel can have an adverse effect on our business, results of operations, cash flows and financial condition. We are not able to predict the duration and severity of the economic conditions arising out of a fresh outbreak of COVID-19 pandemic and as a consequence, our financial results for a particular period are difficult to predict.

61. Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operations and cash flows.

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude. Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operations and cash flows.

62. Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business.

Any adverse revision to India's credit rating for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our financial performance and our ability to obtain financing to fund our growth on favourable terms or at all.

63. The occurrence of natural calamities or man-made disasters could have a negative effect on the Indian economy and cause our business to suffer.

India has experienced natural calamities such as earthquakes, tsunami, floods, drought, fires, explosions, tornadoes, pandemic disease, and man-made disasters including acts of terrorism and military actions in the past few years. The extent and severity of these natural and man-made disasters determines their effect on the Indian economy. The erratic progress of a monsoon would also adversely affect sowing operations for certain crops. Further prolonged spells of below normal rainfall or other natural calamities in the future could have a negative effect on the Indian economy, adversely affecting our business and the price of our Equity Shares.

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

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

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

a. Any increase in Indian interest rates or inflation.

b. Any scarcity of credit or other financing in India.

c. Prevailing income conditions among Indian consumers and Indian corporations.

d. Changes in India's tax, trade, fiscal or monetary policies.

e. Political instability, terrorism, or military conflict in India or in countries in the region or globally, including in

f. India's various neighbouring countries.

g. Prevailing regional or global economic conditions; and

h. 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.

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

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

Further, under the foreign exchange regulations currently in force in India, transfers of shares between non- residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI, or any other government agency can be obtained on any particular terms or at all.

67. 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 (hereinafter referred to as 'GST') regime with effect from July 01, 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 01, 2017.

The Government of India has announced the union budget for Fiscal 2021 and the Ministry of Finance has notified the Finance Act, 2020 (hereinafter referred to as '**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 01, 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 (hereinafter referred to as '**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.

THE ISSUE

This Issue has been authorized by way of a resolution passed by our Board of Directors on Tuesday, July 05, 2022, in pursuance of Section 62 of the Companies Act, 2013.

The following is a summary of the Issue, which should be read in conjunction with, and is qualified in its entirety by, more detailed information in ***'Terms of the Issue'*** on page 153 of this Letter of Offer.

Equity Shares outstanding prior to the Issue	5,01,97,336 Equity Shares;
Right Shares offered in the Issue	Up to 4,51,77,602 Right Shares;*
Equity Shares outstanding after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	9,53,74,938 Equity Shares;
Rights Entitlement	9 Equity Shares for every 10 Equity Shares held on the Record Date;
Record Date	Friday, June 02, 2023;
Fractional Entitlement	For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Shareholders is less than 10 (Ten) Equity Shares or is not in multiples of 10 (Ten), the fractional entitlement of such Eligible Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Rights Share each, if such Eligible Shareholders have applied for additional Rights Shares over and above their Rights Entitlement, if any.;
Face Value per Equity Share	Rs.10.00/- (Rupees Ten Only) each;
Issue Price per Equity Share	Rs.18.00/- (Rupees Eighteen Only) including a premium of Rs.8.00/- (Rupees Eight Only) per Rights Equity Share;
Issue Size	Up to Rs.8131.97/- Lakhs* On Application, Investors will have to pay Rs.9.00/- per Rights Share, which constitutes 50.00% of the Issue Price and the balance Rs.9.00/- per Rights Share which constitutes 50.00% of the Issue Price, will have to be paid on First and Final Call, as determined by the Board/ Committee of the Board from time to time. **Assuming full subscription and receipt of First and Final Call Money with respect to Rights Shares.*
Terms of the Issue	Please refer to the section titled **'*Terms of the Issue*'** beginning on page 153 of this Letter of Offer;
Use of Issue Proceeds	Please refer to the section titled ***'Objects of the Issue'*** beginning on page 55 of this Letter of Offer;
Security Code/ Scrip Details	**ISIN**: INE553C01016 **BSE Scrip ID and NSE Symbol**: NECCLTD **BSE Scrip Code**: 534615 **ISIN for Rights Entitlements**: INE553C20016

**For Right Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Shareholders is less than 10(Ten) Equity Shares or is not in multiples of 10 (Ten), the fractional entitlement of such Eligible Shareholders shall be ignored for computation of the Rights Entitlements. However, Eligible Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of 1 (One) additional Rights Equity Share each, if such Eligible Shareholders have applied for additional Rights Shares over and above their Rights Entitlements;*

TERMS OF PAYMENT

Amount payable per Rights Shares	Face Value	Premium	Total
On Application	Rs.5.00/-	Rs.4.00/-	Rs.9.00/-*
On One or more subsequent Call(s) as determined by our Board/ Committee at its sole discretion, from time to time*	Rs.5.00/-	Rs.4.00/-	Rs.9.00/-**
Total	**Rs.10.00/-**	**Rs.8.00/-**	**Rs.18.00/-**

**Constitutes 50.00% of the Issue Price.*

***Constitutes50.00% of the Issue Price.*

ISSUE SCHEDULE

Issue Opening Date	Wednesday, June 14, 2023
Last date for On Market Renunciation of Rights *	Thursday, June 22, 2023
Issue Closing Date	Tuesday, June 27, 2023

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

GENERAL INFORMATION

Our Company was originally incorporated on December 05, 1984, as a private limited company, under the name and style 'Prakarima Leasing Private Limited' under the provisions of the Companies Act, 1956, with the Registrar of Companies, Delhi and Haryana. Our Company was thereafter converted into a public limited company vide shareholders resolution passed at an extra-ordinary general meeting of the Company held on December 17,1984 and the name of our Company was changed to 'Prakarima Leasing Limited', and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Delhi and Haryana on January 16, 1995. In the subsequent year of 1995, the name of our Company was further changed to 'N.E.C.C. Finlease Limited' and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Delhi and Haryana on January 03, 1995. Subsequently, the name of our Company was further changed to 'North Eastern Carrying Corporation Limited' and a fresh Certificate of Incorporation pursuant to change of name was issued by the Registrar of Companies, NCLT of Delhi and Haryana on October 06, 1999. Our Company was listed on Delhi Stock Exchange effective from June 13, 1986, however, SEBI had cancelled all non-operational stock exchanges including Delhi Stock Exchange vide its circulars bearing reference numbers 'MRD/DOP/SE/CIR36/2008 dated December 29, 2008', 'CIR/MRD/DSA/14/2012 dated May 30, 2012', and 'CIR/MRD/DSA/05/2015 dated April 17, 2015', in pursuance of which our Company ceased to be listed effective from January 23, 2017. The Company was listed on the BSE Limited effective from August 08, 2012, and on the NSE effective from March 02, 2016, bearing NSE Symbol and BSE Scrip ID 'NECCLTD' '534615'respectively.

REGISTERED OFFICE

Company	North Eastern Carrying Corporation Limited
Registered Office Address	9062/47, NECC House, Ram Bagh Road, Azad Market, Delhi - 110006, India
Contact Details	+91-11-23517516-19;
Email-ID	cs@neccgroup.com,co@neccgroup.com
Website	www.neccgroup.com
Corporate Identification Number	L51909DL1984PLC019485
Registration Number	019485

The Company does not have a separate corporate office. Hence, the registered office and corporate office are same.

ADDRESS OF THE REGISTRAR OF COMPANIES

Registrar of Companies, Delhi and Haryana

4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110019, India

BOARD OF DIRECTORS

Name	Designation	DIN	Address
Sunil Kumar Jain	Managing Director and Chairperson	00010695	C-3/15, Deep Market, Ashok Vihar Phase 2, Saraswati Vihar, North West Delhi–110052, Delhi, India
Utkarsh Jain	Whole Time Director	05271884	C-3/15, Deep Market, Ashok Vihar Phase 2, Saraswati Vihar, North West Delhi – 110052, Delhi, India
Manoj Kumar Jain	Non-Executive – Independent Director	01887411	A-67, Second Floor, Surajmal Vihar, East Delhi, -110092, Delhi, India
Mohak Jain	Non-Executive – Independent Director	02525330	C1/11, Phase 2, Ashok Vihar H.O., North West Delhi - 110052, Delhi, India
Utsav Jain	Non-Executive – Independent Director	01609344	E-50, Phase-1, Ashok Vihar, Ashok Vihar H.O., North West, Delhi– 110052, Delhi, India
Saurav Upadhyay	Non-Executive – Independent Director	05350001	H. No-83, Sonbarsa-1, Bairiya, Ballia-277208, Uttar Pradesh, India
Ashutosh Kumar Dubey	Non-Executive – Independent Director	07621637	2362/1, 1st Floor, Maharaja Complex, Main Road, Patel Nagar New Delhi-110008, Delhi, India
Priya Singh	Non-Executive – Independent Director	08727539	B-72B, Shakarpur, Delhi-110092, India

For further details of our Board of Directors, please refer to the section titled ***'Our Management'*** beginning on page 73 of this Letter of Offer.

COMPANY SECRETARY AND COMPLIANCE OFFICER	CHIEF FINANCIAL OFFICER
Mamta Bisht **Address**: 9062/47, NECC House, Ram Bagh Road, Azad Market, Delhi – 110006, Delhi, India **Contact Details:** +91-11-23517515/16/19 **Email-ID:** cs@neccgroup.com	**Shyam Lal Yadav** **Address**: 9062/47, NECC House, Ram Bagh Road, Azad Market, Delhi – 110006, Delhi, India **Contact Details:** +91-11-23517515/16/19 **Email-ID:** slyadav@neccgroup.com
STATUTORY AUDITORS	**INTERNAL AUDITOR**
M/s. Nemani Garg Agarwal & Co. **Address:** 1517, Devika tower, 6, Nehru Place, New Delhi – 110019, Delhi, India **Firm Registration Number:** 010192N **Contact Person:** Mr. S.K Nemani **Membership Number:** 037222 **Contact Details:** 011-26448022/23 **E-mail ID:** sknemani@sknemani.com	**M/s Sanghi & Co., Chartered Accountant,** **Address:** F-7, IInd Floor, 203 Main Road, Kalkaji, New Delhi-110019 **Firm Registration No.:** 012619N **Membership Number:.** 091534 **Contact Details:** 9811685010/7010, 011-41329617 Email ID: ca_rksanghi@yahoo.co.in
LEAD MANAGER TO THE ISSUE	**REGISTRAR TO THE ISSUE**
CapitalSquare Advisors Private Limited 205-209, 2nd Floor, AARPEE Center, MIDC Road No. 11, CTS 70, Andheri (East), Mumbai – 400093, Maharashtra, India **Contact Details:** +91-22-66849999 **Website:** www.capitalsquare.in **Email Address/ Investor Grievance E-Mail Address:** mb@capitalsquare.in/ **Contact Person:** Mr. Mihir Pandhi **SEBI Registration Number:** INM000012219 **Validity:** Permanent	**Purva Sharegistry (India) Private Limited** Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel East, Mumbai – 400011, Maharashtra, India **Contact Number:** +91 22 23010771/ 49614132 **Website:** www.purvashare.com **Email Address/ Investor Grievance E-Mail Address:** support@purvashare.com **Contact Person:** Ms. Deepali Dhuri **SEBI Registration Number:** INR000001112 **Validity:** Permanent;
LEGAL ADVISOR TO THE ISSUE	**BANKER TO THE ISSUE AND REFUND BANKER**
Juris NextGen LLP **Address:** LGF, E-56, Greater Kailash Enclave Part -1, New Delhi – 110048, India; **Contact Number:** 011-42662177; **Email Address:** office@jurisnextgen.com; **Contact Person:** Rajesh Sharma.	**Kotak Mahindra Bank Limited** **Address**: Kotak Infiniti, 5th Floor, Building No. 21, Infinity Park, Off Western Express Highway General AK Vaidya Marg, Malad (East), Mumbai – 400 097 Maharashtra, India.; **Contact Person:** Arunima Saxena; **E-mail ID:** cmsipo@kotak.com **Contact Details:** 8870775248 **Website:** www.kotak.com; **SEBI Registration Number:** INBI00000927; **CIN:** L65110MH1985PLC038137
REGISTRAR TO THE COMPANY	
MAS Services Limited **Address:** T-34, 2nd Floor, Okhla Industrial Area, Phase – II, New Delhi – 110020, India **Contact Number:** 011 - 26387281/82/83 **Fax Number:** 011-26387384 **Email Address:** info@masserv.com **Website:** www.masserv.com	
BANKERS TO OUR COMPANY	
DBS Bank India Limited **Address:** Zygon Square, 3rd Floor, Block H-1 A Sector-63, Noida – 201307, Uttar Pradesh, India **Contact Details:** +91-011-6653-8844 **Website:** www.dbs.com	**Kotak Mahindra Bank** **Address:**1/11, Opposite Metro Pillar No. 175, East, Patel Nagar - 110008, Delhi, India **Contact Details:** +91-011-4505 6136 **Website:**www.kotak.com

INVESTOR GRIEVANCES

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the Applicant, contact number(s), E-mail address of the sole/ first holder, folio number or demat account number, number of Issue Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted

by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please refer to the section titled ***'Terms of the Issue'*** beginning on page 153 of this Letter of Offer.

EXPERT TO THE ISSUE

Except as stated below, our Company has not obtained any expert opinions.

Our Company has received a written consent dated June 22, 2022, from our Statutory Auditor, M/s. Nemani Garg Agarwal & Co., Chartered Accountants, holding a valid peer review certificate from ICAI bearing no. 037222, to include their name as required under Section 26(5) of the Companies Act, 2013 in this Letter of Offer and as an 'expert', as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as statutory auditor of our Company and in respect of his reports on the Audited Financial Statements, Unaudited Financial Statements, and the statement of special tax benefits, and such consent has not been withdrawn as of the date of this Letter of Offer.

SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

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:

Last Date for credit of Rights Entitlements	Tuesday, June 13, 2023
Issue Opening Date	Wednesday, June 14, 2023
Last Date for On Market Renunciation of Rights Entitlements#	Thursday, June 22, 2023
Issue Closing Date*	Tuesday, June 27, 2023
Finalization of Basis of Allotment (on or about)	Friday, July 07, 2023
Date of Allotment (on or about)	Monday, July 10, 2023
Date of credit (on or about)	Tuesday, July 11, 2023
Date of listing (on or about)	Wednesday, July 12, 2023

Note:
***The above schedule is indicative and does not constitute any obligation on our Company.*

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

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

Please note that if Eligible 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 to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Issue not later than not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., Thursday, June 22, 2023 to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 (One) day before the Issue Closing Date, i.e., Monday, June 26, 2023.

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company, the Lead Manager or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. Further, it is also encouraged that the applications are submitted well in advance before Issue Closing Date, due to prevailing COVID-19 related conditions. For details on submitting Application Forms, please refer to the section titled ***'Terms of the Issue'*** beginning on page 153 of this Letter of Offer.

Please note that:

i) Rights Entitlements (REs) which are neither subscribed nor renounced on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

ii) If no application is made by the purchaser of REs on or before Issue closing date then such REs will get lapsed and shall be extinguished after the Issue Closing Date. No shares / other securities for such lapsed REs will be credited, even if such REs were purchased from market and purchaser will lose the premium paid to acquire the REs.

iii) Persons who have bought Rights Entitlements (REs), shall require to make an application and apply for shares / other securities offered under Rights Issue, if they want to subscribe to the shares / other securities offered under Rights Issue.

The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders and Eligible Employees on the website of the Registrar to the Issue at https://www.purvashare.com/after keying in their respective details along with other security control measures implemented there at. For further details, please refer to the paragraph titled see 'Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders' under the section titled '***Terms of the Issue***' beginning on page 153 of this Letter of Offer.

STATEMENT OF RESPONSIBILITIES

CapitalSquare Advisors Private Limited being the sole Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to this Issue. Hence a statement of inter-se allocation of responsibilities is not required.

REGISTERED BROKERS

In accordance with SEBI circulars bearing reference numbers CIR/CFD/14/2012 dated October 04, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms with the Registered Brokers at the Broker Centers, CDPs at Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone numbers, are available at the websites of the NSE accessible at www.nseindia.com and BSE accessible at www.bseindia.com respectively, as updated from time to time.

REGISTRAR AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchanges at https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures and https://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6, as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchanges.

CREDIT RATING

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

DEBENTURE TRUSTEE

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

MONITORING AGENCY

Since the Issue size does not exceed Rs.10,000.00 Lakhs (Rupees Ten Thousand Lakhs), there is no requirement to appoint a monitoring agency in relation to the Issue under SEBI (ICDR) Regulation.

APPRAISING ENTITY

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

UNDERWRITING

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

FILING

This Letter of Offer is being filed with the Stock Exchanges as per the provisions of the SEBI (ICDR) Regulations. Further, our Company will simultaneously submit this Letter of Offer to SEBI through the SEBI Intermediary portal at https://siportal.sebi.gov.in in accordance SEBI circular bearing reference number 'SEBI/HO/CFD/DIL1/CIR/P/2018/011' dated January 19, 2018, issued by the SEBI. Further, in light of the SEBI notification dated March 27, 2020, our Company will submit a copy of this Letter of Offer to the e-mail address at cfddil@sebi.gov.in.

MINIMUM SUBSCRIPTION

The objects of the Issue involve Construction and Development of Warehouse and general corporate purposes. Further, our Promoters have undertaken that they will subscribe to the full extent of their Rights Entitlements and that they shall not renounce their Rights Entitlements (except to the extent of renunciation by any of them in favour of any other Promoter or member of the Promoter Group) subject to the aggregate shareholding of our Promoters and Promoter Group being compliant with the minimum public shareholding requirements under the SCRR and the SEBI (LODR) Regulations.

CAPITAL STRUCTURE

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

(Amount in Lakhs)

Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
Authorized Equity Share capital		
10,00,00,000 (Ten Crore) Equity Shares of Rs. 10/- each	Rs.10,000.00/-	-
Issued, subscribed and paid-up Equity Share capital before this Issue		
5,01,97,336 (Five Crore One Lakh Ninety-Seven Thousand Three Hundred and Thirty-Six) Equity Shares of Rs. 10/- each	Rs.5,019.73/-	-
Present Issue in terms of this Letter of Offer[(a) (b)]		
Up to 4,51,77,602 (Four Crores Fifty-One Lakhs Seventy-Seven Thousand Six Hundred and Two) Issue of Equity Shares, each at a premium of Rs.8.00/- (Rupees Eight Only) per Equity Share, at an Issue Price of Rs.18.00/- (Rupees Eighteen Only) per Equity Share	Rs.4,517.76/-	Up to Rs.8,131.97/-[(d)]
Issued, subscribed and paid-up Equity Share capital after the Issue[(c)]		
9,53,74,938 (Nine Crore Fifty-Three Lakhs Seventy-Four Thousand Nine Hundred and Thirty-Eight) Equity Shares	Rs.9,537.49/-	
Subscribed and paid-up Equity Share capital		
5,01,97,336 (Five Crore One Lakh Ninety-Seven Thousand Three Hundred and Thirty-Six) fully paid-up Equity Shares	Rs.5,019.73/-	
Up to 4,51,77,602 (Four Crores Fifty-One Lakhs Seventy-Seven Thousand Six Hundred and Two) partly paid-up Equity Shares	Rs.2,258.88/-	
Securities premium account		
Before the Issue	Nil	
After the Issue	Rs.1,807.10/-	
After first and final call made in respect of Rights Shares[(e)]	Rs.3,614.21/-	

Notes:

(a) The present Issue has been authorized by our Board of Directors pursuant to the resolution passed in their meeting conducted on day, Tuesday, July 05, 2022;

(b) On Application, Investors will have to pay Rs.9.00/- per Rights Share which constitutes 50.00% of the Issue Price and the balance Rs.9.00/- per Rights Share which constitutes 50.00% of the Issue Price, will have to be paid, on one additional call as may be decided by the Board/ Committee of the Board from time to time.

(c) Assuming full subscription and receipt of First and Final call Money with respect to Rights Shares;

(d) Subject to finalization of Basis of Allotment, Allotment and deduction of Issue expenses;

(e) Assuming full payment of first and final call by holders of Rights Shares.

NOTES TO THE CAPITAL STRUCTURE

1. The Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Letter of Offer.

2. At any given time, there shall be only one denomination of the Equity Shares. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

3. As on the date of this Letter of Offer, our Company has not issued any special voting Rights Shares and there are no outstanding Equity Shares having special voting rights.

4. The ex-rights price arrived in accordance with the formula prescribed Regulation 10 (4) (b) of the SEBI (SAST) Regulations, in connection with the Issue is Rs.18.70/- (Rupees Eighteen point Seventy Only).

5. **Details of outstanding warrants, outstanding instruments with an option to convert securities which are convertible at a later date into Equity Shares**

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

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

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

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

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

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

None of the members of the Promoter and Promoter Group of the Company have acquired any Equity Shares in the last one year prior to the filing of this Letter of Offer.

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

The Promoters of our Company through their letters dated Tuesday, July 05, 2022, Friday July 08, 2022 and Monday, July 11, 2022, have confirmed that they intend to subscribe in part or to the full extent of their Rights Entitlement and to the extent of unsubscribed portion (if any) of this Issue and that they shall not renounce their Rights Entitlements except within the Promoter Group, in accordance with the provisions of Regulation 86 of the SEBI (ICDR) Regulations.

Further, the Promoters and members of our Promoter Group may also apply for additional Rights Shares along with their Rights Entitlement and/or renunciation. Such subscriptions of Rights Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding above its current percentage shareholding. Any acquisition of additional Equity Shares shall not result in change of control of the management of the Company in accordance with provisions of the SEBI (SAST) Regulations and shall be exempted subject to fulfillment of the conditions of Regulation 10 of the SEBI (SAST) Regulations. The Promoters and members of our Promoter Group acknowledge and undertake that their investment would be restricted to ensure that the public shareholding in the Company after this Issue does not fall below the permissible minimum level as specified in the listing conditions or Regulation 38 of SEBI (LODR) Regulations. We confirm that there will not be any violation of the Takeover Regulations or triggers under the Takeover Regulations while acquiring the shares during the rights issue process.

In case this Issue remains unsubscribed, the Board of Directors may dispose of such unsubscribed portion in the best interest of the Company and in compliance with the applicable laws.

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

10. **Confirmation on non-violation of Takeover Regulations**

We confirm that there has been no violation of the Takeover Regulations with regard to the shares acquired by our Promoters / Promoter Group in the last 3 years preceding the date of this Letter of Offer.

11. **Shareholding Pattern of our Company as per the last filing made with the Stock Exchanges in compliance with the provisions of SEBI (LODR) Regulations**

The shareholding pattern of our Company as on March 31, 2023, i.e., per the last filing with the Stock Exchanges in compliance with the provisions of SEBI (LODR) Regulations, which can be accessed on the websites of the Stock Exchanges, is specifically mentioned as follows:

Particulars of shareholding pattern	URL of BSE Limited's Website	URL of NSE's Website
Statement showing shareholding pattern of the Company	https://www.bseindia.com/stock-share-price/north-eastern-carrying-corporation-ltd/neccltd/534615/qtrid/117.00/shareholding-pattern/Mar-2023/	https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=NECCLTD&tabIndex=equity

Particulars of shareholding pattern	URL of BSE Limited's Website	URL of NSE's Website
Statement showing shareholding pattern of the Promoter and Promoter Group	https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=534615&qtrid=117.00&QtrName=March%202023	https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=NECCLTD&tabIndex=equity
Statement showing shareholding pattern of the Public shareholder	https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=534615&qtrid=117.00&QtrName=March%202023	https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=NECCLTD&tabIndex=equity
Statement showing shareholding pattern of the Non-Promoter – Non Public shareholder	https://www.bseindia.com/corporates/shpNonProPublic.aspx?scripcd=534615&qtrid=117.00&QtrName=March%202023	https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=NECCLTD&tabIndex=equity
Details of Disclosure by Trading Members (TM) holding 1.00% (One Percent) or more of the Total number of Equity Shares	https://www.bseindia.com/corporates/shpdrPercnt.aspx?scripcd=534615&qtrid=117.00&CompName=NORTH%20EASTERN%20CARRYING%20CORPORATION%20LTD.&QtrName=March%202023&Type=TM	https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=NECCLTD&tabIndex=equity

Details of Public shareholders holding more than 1.00% of the pre-Issue paid up capital of our Company as on date of this Letter of Offer:

Category of shareholder	No. of shareholders	No. of fully paid up Equity Shares held	Total no. Equity Shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	No. of Voting Rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form
Religare Finvest Ltd.	1	60,36,494	60,36,494	12.03%	60,36,494	12.03%	60,36,494
Peeyush Kumar Aggarwal	1	14,52,092	14,52,092	2.89%	14,52,092	2.89%	14,52,092
Total	**2**	**74,88,586**	**74,88,586**	**14.92%**	**74,88,586**	**14.92%**	**74,88,586**

OBJECTS OF THE ISSUE

Our Company proposes to utilize the net proceeds from the issue towards funding the following objects:

1. Construction and Development of Warehouse
2. General Corporate Purpose

The main object clause of the Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

ISSUE PROCEEDS

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

Particulars	Amount (Rs. in Lakhs)
Gross Proceeds from the Issue	Up to 8,131.97
Less: Estimated Issue related Expenses	99.73
Net Proceeds from the Issue*	**Up to 8,032.24**

**Assuming full subscription and receipt of First and Final Call Money with respect to Rights Shares and subject to finalization of basis of Allotment.*

REQUIREMENT OF FUNDS AND UTILISATION OF NET PROCEEDS

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

Sr. No.	Particulars	Amount (Rs. in Lakhs)
1.	Construction and Development of Warehouse	6,447.00
2.	General Corporate Purpose	1,585.24
	Total Net Proceeds*	Up to **8,032.24**

**Assuming full subscription in the Issue and receipt of First and Final Call Money with respect to Rights Shares in the Issue and subject to finalization of Basis of Allotment and the Allotment, and to be adjusted as per the Rights entitlement ratio.*

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

MEANS OF FINANCE

Our Company proposes to meet the entire requirement of funds for the objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75.00% (Seventy-Five Percent) of the stated means of finance for the aforesaid object, excluding the amount to be raised from the Issue.

The fund requirement and deployment are based on our management estimates and has not been appraised by any bank or financial institution or any other independent agencies. The fund requirement above is based on our current business plan and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Further, our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our management and may require changes in making first and final call in the future, as may be decided by the Board/ Committee of the Board from time to time, with respect to the Rights Shares for the balance Rs.9.00/- per Rights Share which constitutes 50.00% of the Issue Price. If additional funds are required for the purposes mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them.

SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

Our Company proposes to deploy the entire Net Proceeds towards the Objects as under:

The Company has entered into an Agreement dated March 31, 2021 with Kanhai Cement Works Private Limited for the purchase and construction of Warehouse. As per the terms of the Agreement, the payment schedule is as under:

Particulars	Amount (Rs. in Lakhs)
Total consideration	7,925.00
Advance to be paid up to 80% of the total consideration	6,340.00
Less: Advance already paid	(1,478.00)
Balance amount	4,862.00
Upon execution of Sale Deed i.e. up to 20% of total consideration	1,585.00
Total Amount to be paid	**6,447.00**

In nutshell, out of the total issue proceeds, Rs.4,862.00 Lakhs will be paid to Kanhai Cement Works Private Limited during financial year 2023-24 and the remaining 20% of the total consideration i.e., Rs.1,585.00 Lakhs will be paid upon execution of sale deed during financial year 2025-26 as the estimated period of completion of work is 2(Two) to 3(Three) years from start.

The amount for General Corporate Purpose will be utilised in financial year 2023-24 and 2024-25.

The funds deployment described herein is based on management estimates and current circumstances of our business and operations. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of variety of factors such as our financial condition, business, and strategy, including external factors which may not be within the control of our management. This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management. Accordingly, the Net Proceeds of the Issue would be used to meet all or any of the purposes of the fund requirements described herein.

DETAILS OF THE OBJECTS OF THE ISSUE

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

1. **Construction and Development of Warehouse**

Our Company has agreed to acquire warehouse from Kanhai Cements Works Private Limited ('Seller'), the brief details of which are specified as under:

Particulars	Details
Property address	Khewat/Khata no. 74/93, Killa nos 36/16/2(1-18), 17/2(4-0),18/1(7-7), 24(4-1), 25/1(2-18), Khata no. 52/66, Killa no.1/23/2 & Khewat/Khata no. 179/207, M. no. 36, Killa no.16/1/2(1-18), 17/1(4-0), Revenue Estate of Village-Sunari,Tehsil-Tauru, Distt-Gurgaon (Haryana) and Khata no. 35/39,Killa no. 1/24(5-13), Revenue Estate of Village-Chundrika, Tehsil-Tauru, Distt-Gurgaon (Haryana)
Land Area	4.94375 Acre
Land freehold or leasehold	Freehold
Warehouse admeasuring	4,20,000 Sq ft of built-up area
Parking space	20 Trucks and Driver's rest Room and Office space admeasuring about 10000 Sq Ft.

We propose to utilize Rs.6,023.00 Lakhs towards construction and development of warehouse. We have received an estimated quotation, the summary of which is as follows:

Sr. No.	Particulars	Rate	Amount (Rs. in Lakhs)
1.	Structure: All concrete work, brick work, Plaster (internal & external) Door frame, Railing and Lintel	850.00	Rs.3,570.00
2.	Fire Fighting Works	40.00	Rs.168.00
3.	Finishing: Floorings, Painting, Door & window Shutter, etc	460.00	Rs.2,100.00
4.	Security Fire Detection & PA System	25.00	Rs.105.00
5.	Lift	4 Nos	Rs.80.00

Sr. No.	Particulars	Rate	Amount (Rs. in Lakhs)
	Total		**Rs.6,023.00**

2. **General Corporate purpose**

The Net Proceeds will first be utilized for the Objects as set out above. Subject to this, our Company intends to deploy balance left out of the Net Proceeds, aggregating to Rs.1,585.24 Lakhs, towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds from the Issue, in compliance with the SEBI (ICDR) Regulations. Such general corporate purposes may include, but are not restricted to, (i) strategic initiatives; (ii) funding growth opportunities; (iii) strengthening marketing capabilities and brand building exercises; (iv) meeting ongoing general corporate contingencies; (v) expenses incurred in ordinary course of business; and (vi) any other purpose, as may be approved by our Board or a duly constituted committee thereof, subject to compliance with applicable law, including provisions of the Companies Act.

3. **Expenses for the Issue**

The Issue related expenses consist of fees payable to the Lead Manager, Legal Counsel, processing fee to the SCSBs, Registrar to the Issue, printing and stationery expenses, advertising expenses and all other incidental and miscellaneous expenses for listing the Rights Shares on the Stock Exchange.

Activity	Estimated Expense (Rs. in Lakhs)	% of Estimated Issue Size Expenses	% of Estimated Issue Size
Fees of the Lead Manager, Bankers to the Issue, Registrar to the Issue, Legal Advisor, Auditor's fees, including out of pocket expenses etc.	25.68	25.75%	0.32%
Expenses relating to advertising, printing, distribution, marketing and stationery expenses.	4.50	4.51%	0.06%
Regulatory fees, filing fees, listing fees and other miscellaneous expenses	69.55	69.74%	0.86%
Total estimated Issue expenses	**99.73**	**100%**	**1.23 %**

As and when our Company makes the first and final call for the balance money with respect to the Rights Shares, our Company shall endeavour to utilize the proceeds raised from such call within the same Financial Year as the receipt of the said call money, failing which our Company shall utilize the said call money in the subsequent Financial Years or by the re-payment dates as described in the *'Objects of the Issue'*.

SOURCES OF FINANCING OF FUNDS ALREADY DEPLOYED

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

APPRAISAL OF THE OBJECTS

None of the Objects of the Issue for which the Net Proceeds will be utilized have been appraised by any bank or financial institution.

STRATEGIC AND/ OR FINANCIAL PARTNERS

There are no strategic and financial partners to the objects of the issue.

BRIDGE FINANCING FACILITIES

Our Company have not raised or availed any bridge financing facilities for meeting the expenses as stated under the Objects of the Issue.

INTERIM USE OF FUNDS

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company intends to deposit the Net

Proceeds only with scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934 or make any such investment as may be allowed by SEBI from time to time.

MONITORING OF UTILIZATION OF FUNDS

Since the proceeds from this Issue are less than Rs.10,000.00/- Lakhs, in terms of Regulation 82 of the SEBI (ICDR) Regulations, our Company is not required to appoint a monitoring agency for this Issue. However, as per SEBI (LODR) Regulation, the Audit Committee would be monitoring the utilization of the proceeds of the Issue. The Company will disclose the utilization of the Issue Proceeds under a separate head in the balance sheet along with the relevant details, for all such amounts that have not been utilized. The Company will indicate investments, if any, of unutilized Issue Proceeds in the Financial Statements of the Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchanges.

As per the requirements of Regulations 18 of the SEBI (LODR) 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 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.

Pursuant to Regulation 32 of the SEBI (LODR) Regulation, the Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Issue Proceeds. In accordance with Regulation 32 of the SEBI (LODR) Regulation, the Company shall furnish to NSE and BSE, on a quarterly basis, a statement on material deviations, if any, in the utilization of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results after placing the same before the Audit Committee.

VARIATION IN OBJECTS

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

KEY INDUSTRY REGULATIONS FOR THE OBJECTS OF THE ISSUE

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

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

The Promoters of our Company through their letters dated Tuesday, July 05, 2022, Friday July 08, 2022 and Monday, July 11, 2022, have undertaken to subscribe, in part or in full extent of their Rights Entitlement among themselves subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR.

None of our Promoters, members of the Promoter Group and the Directors do not have any interest in the Objects of the Issue.

OTHER CONFIRMATIONS

Except disclosed above, there is no material existing or anticipated transactions in relation to the utilization of the Net Proceeds with our Promoter, Directors or Key Management Personnel of our Company and no part of the Net Proceeds will be paid as consideration to any of them. Except disclosed above, none of our Promoters, members of Promoter Group or Directors are interested in the Objects of the Issue. No part of the proceeds from the Issue will be paid by the Company as consideration to our directors, or Key Managerial Personnel.

Our Company does not require any material government and regulatory approvals in relation to the Objects of the Issue.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors,
North Eastern Carrying Corporation limited,
9062/47, NECC House, Ram Bagh Road,
Azad Market, New Delhi – 110006,
Delhi, India.

Dear Sir,

Subject: **Proposed rights issue of equity shares of face value of Rs. 10.00 (Rupees Ten only) ('Equity Shares') of North Eastern Carrying Corporation limited ('Company' and such offering, the 'Issue')**

This certificate is issued in accordance with the terms of our engagement letter dated June 22, 2022

The preparation of the Statement is the responsibility of the management of the Company for the 'Issue', including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

We have complied with the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, 'Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements,' issued by the ICAI.

The Management of the Company has prepared 'Statement of possible special tax benefits' under direct tax laws i.e. Income Tax Rules, 1962 ('Income Tax Laws'), and indirect tax laws i.e. 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 applicable to the Company and its shareholders.

The Company has requested us to confirm statement attached in the Annexure I and II, are available to the Company and its shareholders.

We hereby confirm that the enclosed Annexures, prepared by the Company, provides the possible special tax benefits available to the Company. 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 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.

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

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

1. The Company or its shareholders will continue to obtain these benefits in future; or
2. 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.

We hereby consent to the extracts of this certificate being used in the draft letter of offer / letter of offer of the Company in connection with the Issue or in any other documents in connection with the Issue, and the submission of this certificate as may be necessary, to any regulatory authority and / or for the records to be maintained by the Company in connection with the Issue and in accordance with applicable law.

This certificate may also be relied upon by the Company, and the legal counsel in relation to the Issue.

The above certificate shall not be used for any other purpose without our prior consent in writing and we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Yours faithfully,

Nemani Garg Agarwal & Company
Chartered Accountants
FRN: 010192N

Dinesh Chand Kaushik
(Partner)
M No: 505463

Date: 20/05/2023
Place: New Delhi

UDIN: 23505463BGWJUG7989

ANNEXURE I

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO NORTH EASTERN CARRYING CORPORATION LIMITED ('COMPANY') AND ITS SHAREHOLDERS

1. Under the Income Tax Act, 1961 ('Act')

a. Special tax benefits available to the Company under the Act

There are no special tax benefits available to the Company.

b. Special tax benefits available to the shareholders under the Act

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

Notes

1. 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;

2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law;

3. The above statement of possible tax benefits is as per the current direct tax laws relevant for the assessment year 2022-23;

4. 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;

5. 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;

6. 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;

For and on behalf of North Eastern Carrying Corporation Limited

Sunil Kumar Jain
Managing Director

Date: Delhi
Place: 20.05.2023

ANNEXURE II

STATEMENT OF INDIRECT TAX BENEFITS AVAILABLE TO NORTH EASTERN CARRYING CORPORATION LIMITED ('COMPANY') AND ITS SHAREHOLDERS

1. Under the 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')

a. Special tax benefits available to the Company under the Indirect Tax

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

b. Special tax benefits available to the shareholders under the Indirect Tax

There are no special indirect tax benefits applicable in the hands of shareholders for investing in the shares of the Company.

Notes

1. 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;

2. The above statement covers only above-mentioned Indirect Tax laws benefits and does not cover any direct tax law benefits or benefit under any other law;

3. 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;

4. 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;

For and on behalf of North Eastern Carrying Corporation Limited

Sunil Kumar Jain
Managing Director

Date: Delhi
Place: 20.05.2023

INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

INDIAN ECONOMIC OUTLOOK

The International Monetary Fund (IMF) has retained its projection for India's economic growth in the current financial year at 9.5 per cent, even as it has moderately scaled down its forecast for the world economy during 2021 by 10 basis points to 5.9 per cent in view of worsening Covid dynamics and supply disruptions. In its World Economic Outlook (WEO), IMF has maintained India's gross domestic product (GDP) estimates for next financial year at 8.5 per cent.

The WEO, titled 'Recovery During a Pandemic Health Concerns, Supply Disruptions, and Price Pressures', has forecast world economic growth at 4.9 per cent for 2022. With this, India will again get the tag of the fastest-growing large economy in the world, both in FY22 and FY23. In 2020, China's was the only major economy that had registered growth. While it had grown 2.3 per cent last year, India's had contracted by 7.3 per cent.

The Fund has also projected India's consumer price index-based inflation rate to stand at 5.6 per cent during the current financial year from 6.2 per cent last year. For the next financial year, it has forecast a further decline to 4.9 per cent. Earlier, two other bodies – the monetary policy committee (MPC) of the Reserve Bank of India and Standard and Poor's (S&P) – had retained India's growth projections for FY22 at 9.5 per cent. In its latest policy review, the MPC had also reduced its retail inflation projection for FY22 to 5.3 per cent from its earlier prediction of 5.7 per cent. Also last week, the World Bank (WB) had kept its projection for India's economic growth in 2021-22 at 8.3 per cent.

However, Fitch Ratings had lowered its projection to 8.7 per cent from its earlier forecast of 10 per cent in view of the impact of the second Covid-19 wave in the country. The IMF has also said that the current account balance of India will slip into a deficit of one per cent of GDP this financial year, as against a surplus of 0.9 per cent last year. The deficit will further widen to 1.4 per cent next financial year.

The Fund has cautioned that rapid spread of the Delta variant of coronavirus and the threat of new variants have increased uncertainty about how quickly the pandemic can be overcome. It has said policy choices have become more difficult, confronting multidimensional challenges-subdued employment growth, rising inflation, food insecurity, the setback to human capital accumulation, and climate change-with limited room to manoeuvre.

Source:https://www.business-standard.com/article/economy-policy/imf-keeps-its-india-economic-growth-projection-for-fy22-unchanged-at-9-5-121101201166_1.html

INDIAN LOGISTICS INDUSTRY

The Indian logistics industry has been gaining traction in the last few years and plays a very important role in facilitating trade and thereby propelling the growth of the Indian economy. Several factors such as – improving infrastructure nationwide, opportunities in emerging markets and channel alliances, urbanisation, faster adoption of newer technologies and digitalization, increased consumer preference for the reduced delivery time, and deployment of innovative techniques for a fast delivery of products are all playing the role of a catalyst in fuelling the growth of the logistics industry in India.

The logistics industry in India, considered to be the lifeline of the country, holds unprecedented importance as it connects various markets, suppliers and customers dotted across the country, and has now been firmly embedded as an integral part of the national GDP value chain. The deeper penetration into Bharat (Tier II, III & IV towns), economy enhancing initiatives, GST implementation and other initiatives such as Make in India, Digital India and soon to be released National Logistics Policy, all hold a promise for an efficient and integrated logistics industry in the days ahead. Despite the enhancement in the logistics performance index from the 54th Rank in 2016 to 35th rank in 2018, India has substantial potential for improvement. The Indian logistics sector provides livelihood to more than 22 million people and improving the sector will facilitate 10% decrease in indirect logistics cost leading to the growth of 5 to 8% in exports.

The growth in logistics sector is expected to be driven by increasing penetration of products into more cities and towns, as well as the growth of economic activity and manufacturing moving to these towns. In addition, the demand for value-added services from consumers provides opportunities for the industry players to elevate themselves from an operational role to a more strategic one. The logistics industry is highly fragmented and consists of over 1,000 active players which include large scale domestic

players, leading entities of global players, the express arm of the government postal service and emerging start-ups specialising in e-commerce deliveries. Infrastructure readiness and technology are expected to be the key drivers of growth for the Indian logistics industry.

However, a significant economic fallout due to the novel coronavirus will result in slowing down the growth across the country's highly fragmented and unorganised logistics landscape.

Source: https://indiancompanies.in/logistics-industry-in-india-indian-logistics-market/

MARKET SIZE

The logistics market was valued at Rs.14.08 Trn in 2021. It is expected to expand at a CAGR of ~14.14% during the 2022 - 2027 period. Logistics is defined as a business planning framework for the procurement, maintenance, distribution, and replacement of personnel and material. The purpose of the logistics industry is to enable effective transportation and timely movement of goods from one place to another. The industry is highly fragmented with several unorganized players. Organized players account for 10%-15% of the market.

The remainder is controlled by unorganized players who manage small-sized warehouses with little to no mechanization.
The Government of Singapore Investment Corporation (GIC), Singapore's sovereign wealth fund, and ESR Group Limited have announced a strategic alliance to form a joint venture to acquire income-producing core industrial and logistics assets for Rs.45 Bn in India.

In a study conducted by NITI Aayog in collabouration with Rocky Mountain Institute (RMI) and RMI India, it was estimated that the movement of goods will increase to 15.6 trillion tons/km by 2050. To support this, the government is making efforts to improve India's logistics system by introducing policies and programs such as Atmanirbhar Bharat. These will enhance technological and digital operations in the logistics supply chain.

The market can be segmented into transportation, warehousing, and supply chain management. The freight and logistics market segment in India is growing. This is because of technological advancements, infrastructure development, and the introduction of policies that deal with e-way bills, fast tags, e-invoicing, and GPS-based toll collection.

The warehousing market is expected to expand at a CAGR of ~15.64% during the 2022 - 2027 period. 3PL and e-commerce players were the major adopters of organized warehousing spaces in 2021.

This led to a reduced market share of fast-moving consumer goods (FMCG), fast-moving consumer durable (FMCD), and retail sectors in 2021. Supply chain management service has control over most of the functions of logistics facilities such as stocking of inventory, order fulfilment, warehouse infrastructure management, inventory forecasting, and freight forwarding.

Source:https://www.prnewswire.com/news-releases/india-logistics-services-market-report-2022-2027-a-highly-fragmented-industry-with-several-unorganized-players-301743787.html

GOVERNMENT INITIATIVES

The Ministry of Commerce & Industry estimates that presently the country spends about 14% of its GDP on logistics which is much higher than Japan (11%) and the USA (9-10%). During the Union Budget 2020-21, the Government of India announced that a National Logistics Policy will be released soon clarifying the roles of the Union Government, State Governments and key regulators. Policy also talks about reduction in the logistics cost to less than 10% of GDP by 2022.

Source:https://www.prnewswire.com/news-releases/india-logistics-services-market-report-2022-2027-a-highly-fragmented-industry-with-several-unorganized-players-301743787.html

CHALLENGES

However, like all industries, this industry is also confronting tremendous change in present times – driven by tech innovations, changing consumer expectations and stringent regulations. Logistics companies in India are fast evolving, but this progress does not come without challenges. A look at a few hindrances faced by businesses in this industry:

- **Transportation Issues**

In India, a predominant mode of freight cargo transportation is via road, with nearly 60% cargo moved by road and 32% by rail. Due to over-saturated rail networks and high rail tariffs. Movement of goods is done by road transportation, which proves to be quite inefficient, because of poor road infrastructure, multiple checkpoints, and congestion.

- **Fuel Costs**

The highest challenge in logistic industry is high fuel costs. If the fuel prices goes high is likely to increase transportation costs to the shippers. Raising the fuel prices are increasing the surcharges added to freight rates, this will cut down the revenue and earnings of truckers as fuel prices increase.

- **Enhancing Customer Service**

Customers want the full clarity into where their delivery is at on time. Now a days, the location of a shipment is as associated as your social network. In fact, the customer anticipation have increased, their readiness to pay for speedy shipping has declined with just about 50% of consumers not in the mood to pay anything excess for less than two-day shipping.

- **Driver Shortage**

Employment and detainment of the driver will be an issue despite the lower demand of the shipments.

- **Tax Structure and Warehousing Problems**

The complicated tax regime places several hardships on logistics companies in India. Multiple State and Center taxes lead to considerable loss of time in transit on roads. The poor state of warehousing and their restricting locations are one of the few major concerns of this industry. Storage facilities are quite fragmented for low margin products thereby resulting in a disincentive to create a large integrated warehousing space. The Government owned most of the large warehouses and used for food grain.

- **Government Regulations**

Carriers face significant compliance regulations imposed by government of state and other authorities.

- **Technology Advancements**

In India, automation of processes is still in the embryonic stage and non-standardization in the industry due to its fragmentation further slows down the progress. Acceptance and adoption of technological advancements like RFID, tracking, warehouse management system, etc. can resolve the issues between domain requirement and IT. Besides this, there is lack of quality workforce in this sector, and the available skill set needs to be upgraded urgently.

Source: https://ircgroupglobal.com/challenges-faced-by-logistics-companies-in-india/

ROAD AHEAD

The road logistics market in India is expected to grow at a compounded annual growth rate of 8 per cent in the next five years, to reach USD 330 billion by 2025, as per a report. This growth will be fuelled by factors such as the rapidly growing e-commerce sector and a growing retail sales market, among others. The inter-city road logistics spend in India stood at USD 209 billion in 2021, accounting for around 87 per cent of total road logistics spend, as per the study.

Out of this, the on-demand/spot market accounted for 63 per cent of the total spend, while the contract market accounted for the remaining 37 per cent. On-demand/spot freight transport is the movement of goods on an immediate basis with prompt payments, which helps in satisfying unfulfilled and urgent demands. It counts sectors such as defence, PSUs, agriculture, food and FMCG, and building materials, among others, as its key clients. According to the report, metros accounted for as much as 40 per cent or USD 84 billion, of the total inter-city logistics spend of USD 209 billion. Noting that logistics costs in relation to GDP is an indicator of how efficiently businesses can operate, and how competitive India is in terms of transport infrastructure and freight management, the report said, logistics spends contribute to 14 per cent of the overall GDP of India, wherein road logistics has a share of 60 per cent of the overall market spends.

Given the massive economic opportunity that lies here, a slew of startups is disrupting this sector with innovative business models that solve most of the industry pain-points from the supply side, it said. These start-ups are operating across the value-chain ranging from discovery and booking, value-add services and execution with their target clientele consisting of consignors as well as truck owners, among others, the report said.

A notable business model, according to the study, is the open marketplace which leverages technology to enable stakeholders in the sector to connect with each other. It focuses on the on-demand/spot market and allows truck owners to get instant booking from verified and trusted transporters without any commission.

Source:https://economictimes.indiatimes.com/industry/transportation/shipping-/-transport/road-logistics-market-in-india-to-reach-330-bn-by-2025-report/articleshow/88044064.cms

BUSINESS OVERVIEW

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For the purpose of discussion of certain risks in connection with investment in the Equity Shares, you should read '**Risk Factors**' beginning on page 20 of this Letter of Offer, and for the purpose of discussion of the risks and uncertainties related to those statements, as well as for the discussion of certain factors that may affect our business, financial condition, you should read '**Financial Statements**' beginning on page 77 of this Letter of Offer.*

OVERVIEW

Headquartered in Delhi, North Eastern Carrying Corporation Limited (NECC) is a company engaged in logistics in India. Spanning over five decades of services, we have a network of 187 branches including franchises for handling transportation and supply chain solutions throughout India and Nepal. We are engaged in transportation of goods catering to various industries like FMCG, Steel, Construction, Infrastructure etc. We have a strong customer base and are relied on by our clients for our qualitative, time oriented and damage free transportation services. We have an in-house preventive maintenance department wherein regular remedial measures are taken for our fleet, which mainly includes regular checking of tyre quality and servicing of key components of the trucks we operate. Further, our Company also maintains a proper stock of spare parts and components of vehicles to meet any exigency.

NECC was incorporated on December 05, 1984 by Late Sh. Jaswant Rai Jain as a part load service between Delhi and the difficult and most remote parts in the east and north east of India. It soon became a renowned name amongst the traders for safety of goods and prompt services. The company has always put forth the interest's of its clients and till date we have been trying to follow the same principles. The company's wings were further expanded after the joining of Mr. Sunil Kumar Jain in 1980 who took NECC's presence to pan India while starting new verticals and expanding the horizon of services offered to the vast set of clients. NECC has always been a preferred logistics partner for most of reputed organizations throughout India.

Over last decades we have transformed from a PTL player to a full-fledged logistics company, while gaining not just customers but also the reputation of being one of the most reliable transportation company and giving turnkey solutions for all logistics needs. Today, NECC family comprises of Hundreds of employees and associated vendors offering their services throughout India, Nepal & Bhutan.

Our Company is well established in the Indian transport Industry. Our unique consignment tracking system (NECC TRANSINFO) allows customers to track whereabouts of their consignment anytime anywhere online. We take pride in providing satisfactory service to a diverse clientele with total confidentiality, reliability and efficiency. We, being a premier cargo transportation and solution provider in India, have set a goal to provide seamless transit of material across national and international borders using multimode solutions for a speedier movement at the lowest cost.

We leverage our operational expertise, technology and a high-capacity network of transportation vehicles, to identify logistics problems and provided end-to-end supply chain solution from a unique perspective- "clients".

Since inception, NECC has been providing its clients with the flexibility, responsiveness and services they deserve, using our deep operating knowledge to create solutions as unique as per our client's needs. However, keeping in mind the changing demands and the global economic landscape, NECC has invested in people, new technologies and equipments that ensure that its clients achieve their desired goals.

OUR SERVICES

Transportation Services

We are, engaged in transportation of goods catering to various industries like FMCG, Steel, Construction, Infrastructure etc. We have a strong customer base and are relied by our clients for our qualitative, time oriented and damage free transportation services. We have an in-house preventive maintenance department wherein regular remedial measures are taken for our fleet, which mainly includes regular checking of tyre quality and servicing of key components of the trucks we operate. Further, our Company also maintains a proper stock of spare parts and components of vehicles to meet any exigency.

Partial Truck Loaded (PTL)/ Parcel Load Movement Services

These include movement of goods/small parcels (<50kg's) from all over India to the eastern and north eastern part of the country. This is the flagship business of the company. This shipping enables easy movement of goods from different customers

through one truck. This helps multiple shippers to share their load and pay for the particular space occupied by them, making it a cost-effective method for shipping goods.

Full Truck Loaded (FTL) Services

Our Company provides FTL services to all our customers i.e. to both commercial as well as individual households. We render FTL services on both Intra as well as Inter State basis, depending on the demand of the customers. Our FTL services are used for transporting fully loaded cargo from one location to another as per the terms of booking and requirement of our customers.

Bulk Movement Services

In this division, we offer services like mining logistics, chrome/iron/manganese ore transportation from mines to processing hubs to plants and then to final customers. We are proud to be able to give end-to-end solution to our clients having negligible competition.

Over Dimensional Consignments (ODC) Services

ODC is a cargo that protrudes outside the loading deck of the vehicle transporting the cargo, cargo that extends beyond the normal deck of the cargo (may it be 20' or 40' or more). The over-dimensional cargo gets transported in flat racks and open tops. This require special expertise and safety measures to be transported over long distance, NECC's team of experts do this all over India on turnkey basis.

Containerized Movement Of Cargo Services

This is the method of transporting freight by placing it in large containers. It is the practice of carrying goods in containers of uniform shape and size for shipping. Almost anything can be stored in a container, but they are particularly useful for the transport of manufactured goods. It is a method of distribution of goods using containers.

Warehouse & 3PL Services

We have more than 0.7 million sqft of warehousing space all over India including both leased and owned and providing our clients with complete solution of primary movements, storage and then to end customers on just in time basis. This is the fastest growing division for the company at the moment and we have been investing in building assets to grow our strength in this business vertical.

Third-party logistics services (3PL) allows an organization to use the third-party businesses to outsource elements of its distribution, warehousing, and fulfillment services. It helps an organization to outsource operational logistics from warehousing, all the way through to delivery, and ultimately enables an organization to focus on other parts of their business.

COMPETITIVE STRENGTHS

✓ **PAN India Presence**

We are an established name in the transportation industry in India with over 5 decades of operations. We are a Pan-India logistics service provider. Our operations from logistics and packing & moving span across various states, covering all the regions across India. We also have our presence in Nepal, Bhutan and Bangladesh

✓ **Diversified Business model and host of services offered**

In this dynamic and extremely competitive environment, we have developed a diversified business model with our offerings ranging from transportation to warehousing to packing and moving. We have been successfully catering to the different sectors during the past year of operations. Our revenue mix also signifies that we have been able to maintain a considerable market in all our area of services. Such diversified business model reduces our dependency on a particular segment and ensures flow of revenues throughout the year.

✓ We serve a large and diverse mix of end market customers across several industry sectors. Further, our presence in packing and moving sector also helps us to cater people from retail industry i.e. our clients include individuals as well as Corporates who want to shift their house, offices etc. We believe that high level of customer retention and growth in the number of customers reflects the value proposition we provide and gives us a platform for further growth. Our diversified service offerings, large integrated hub-and-spoke transportation network, large fleet of transport vehicles, etc. has enabled us to create and maintain an established position in the logistics industry.

✓ **Experienced Management Team**

Our Promoters have been engaged in the business of Transport and Logistics for over 50 years and is currently lead by second and third generation promoters which gives them the advantage of developing high contacts, immense knowledge of the industry and thus better decisive power.

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

✓ **Large Fleet of owned vehicles**

We have large fleet of owned vehicles, that due to large amount of business we also do a lot of business with the associated vendors. With easy access to such a large fleet of equipment, we are able to take up and execute large orders and serve large sized companies. We have been regularly catering to some of the recognized MNC`s and Public Limited Companies throughout our business verticals. Our regular and periodic preventive maintenance measures ensure longer life and provide a higher degree of performance reliability.

OUR STRATEGIES

✓ ***Increase our goods transportation network and fleet size***

We continue to expand our network and agencies for our goods transportation business. We intend to add a significant number of branches in northern, central and eastern regions of India as well as increase the depth of our existing network in key States. We also intend to further expand our fleet of trucks.

✓ ***Enhance operational controls to ensure timely delivery and quality service***

We continue to focus on enhancing operational controls and cost efficiencies through optimal assets utilisation, cost management and increasing asset life through preventive and predictive maintenance initiatives. Our ability to provide timely delivery and quality service is key to our reputation and further expansion of our business. We also continue to implement various measures aimed at incremental improvement in operational efficiencies to adopt industry best practices and training for our employees.

✓ ***Expansion of Warehouse capabilities***

We plan to look to expand its existing 0.73 mn. sq.ft warehousing capabilities over the next years across 50 major Indian cities with its Asset Light approach which includes owned and leased under management.

✓ ***Improving functional efficiency***

We understand curtailing cost without compromise on quality is an important factor to be considered for operation of business. Our Company intends to improve efficiencies to achieve cost reductions and which in turn will give us a competitive edge over our peers. We believe that this can be achieved through detailed analysis of our processes and continuous process improvement along with keeping pace with technology development.

✓ *Continue to improve operating efficiencies through technology enhancements*

✓ *We continue to further develop our technology systems to increase asset productivity, operating efficiencies and strengthen our competitive position. We believe that our in-house technology capabilities will continue to play a key role in effectively managing our operations, maintain strict operational and fiscal controls and continue to enhance customer service levels.*

ONGOING WORK ORDERS

As on January 31, 2023, list of our ongoing orders are set out below:

Sr No	Name of the Parties	Period of Validity	Scope	Value of Order Amount (Rs)
1.	Tata Steel Limited	01.09.2020 to 31.08.2023	Transportation and delivery of goods	NA

Sr No	Name of the Parties	Period of Validity	Scope	Value of Order Amount (Rs)
2.	Tata Steel Mining Limited	01.04.2022 to 31.03.2023	Transportation of their raw materials and mining products from Joda/ NOMA Mandi.	NA
3.	Hygenic Research Institute Pvt. Ltd	01.04.2022 to 31.03.2024*	Transportation of FMCG Cosmetics Group	NA
4.	Bajaj Auto Limited	01.04.2021 to 31.03.2024	Road Transportation Services	NA
5.	Intas Pharmaceuticals Limited	01.04.2022 to 31.03.2023	Transportation and delivery of Drugs, Medicines.	NA
6.	L G Balakrishnan & Bros Ltd	01.08.2022 to 31.07.2024	Transportation and delivery of goods	NA
7.	Deepak Fasteners Limited	25.01.2023 to 24.01.2024	Transportation and delivery of goods on door delivery basis to respective consignee	NA
8.	DIC India Limited	01.04.2022 to 31.03.2025	Transportation and delivery of goods	NA

***The validity specified in the Agreement is one year, however, the date mentioned is from 01.04.2022 to 31.03.2024.*

Synopsis of work order of Tata Steel Mining Limited

Scope of Job / Responsibilities of Transporter:

- Order acceptance for transportation of Chrome ore to different FPC#s.
- Mobilization & deployment of trucks / Hyva.
- Entry of trucks and related activities.
- Truck Weighment (Tare & Gross).
- Placement of trucks for loading near the ore stacks.
- Truck movement inside the mine premises.
- Challan collection / Lorry Receipt generation
- Covering of loaded trucks.
- Sealing of trucks.
- Exit document issuance to truck drivers before exit.
- Maintenance of common facilities like Bath Complex and Canteen Facilities etc.
- Health Check-up of Truck Drivers.
- Development and timely submission of MIS
- Stakeholder management for smooth transportation activity.
- Filing of statutory returns.
- OTIF delivery of chromite at plants/destinations
- Timely submission of freight bills.
- In case of any deviation in quality, transporter may engage their third party in joint sampling process.
- Transporters to escalate any delay in getting the moisture report from third party to logistics in-charge.

Non-compliances of Road safety / Workplace safety:

- Major Road Safety/Workplace Safety a) Cost of Rs.25,000/- (Rupees Twenty-five thousand only) or actual cost incurred by Tata Steel for damage caused if any, whichever is higher, will be recovered for every such non-compliance
- Vehicle gate pass to be seized and vehicle to be banned for 3 days to 30 days based on severity.
- Blocking of RFID for 7 days as applicable Unit Head to write to Head Procurement officer & Head (F&A)
- Minor Road Safety/Workplace Safety
- Cost of Rs.1000/- for PPE non-compliances like Safety helmet, safety shoe, safety goggles, florescent jacket and other specific to the site.
- Cost of Rs.10,000/- for non-compliances like High speed, Wrong Parking on road, not putting proper barricades around break-down vehicle etc.
- Any other violations not covered in Major non-compliance to be treated in Minor Road safety/workplace violations.

Non-compliances of safety standard resulting in Fatality and the Responsibility fixed on the contractor.

If total Order Value against the particular vendor code is up to 10 Cr.

- Suspension for a minimum period of 1 Months *(Block Code 08) # Both main & registered sub-contractor if any.
- If there is no RFQ within suspension period of the Main & registered sub-contractor, then the next RFQ following the fatality incident will not be given to the main & sub-contractor.
- 50% of the annuity value will be deducted from the vendor whose workman has met with the accident for monthly payment to victim family under #SURAKSHA# scheme of Company.

If total Order Value against the particular vendor code is more than 10 Cr.

- Presentation of incident with safety improvement plan by the contractor top executive to the Company top executive.
- 50% of the annuity value will be deducted from the vendor whose workman has met with the accident for monthly payment to victim family under #SURAKSHA# scheme of Company.
- In respect of all manpower employed by the Transporter at the Mines, the Transporter shall comply with all legislations and rules of State and/or Central Government or any other Authority framed from time to time governing the protection of health, sanitary arrangements, wages/ salary, welfare and safety for manpower employed for the mining operations. The rules and other statutory obligations with regard to the wages/ salary, welfare and safety measures, maintenance of registers, etc. shall be deemed to be part of the Agreement.

LEASE AGREEMENT

Sr. No.	Name of the related party and nature of relationship	Amount of Rent per month (Rs.)	Validity	Address
1	Mr. Sunil Kumar Jain Nature: Sunil Kumar Jain is the Managing Director of NECC	Rs.40,000/-	01.03.2023 to 31.01.2024	Shop no. 38, New Qutab Road, Delhi-110006
2	Mr. Sunil Kumar Jain Nature: Sunil Kumar Jain is the Managing Director of NECC	Rs.40,000/-	01.03.2023to31.01.2024	Shop no. 39, New Qutab Road, Delhi-110006
3	Mr. Sunil Kumar Jain Nature: Sunil Kumar Jain is the Managing Director of NECC	Rs.75,000/-	01.03.2023 to 31.01.2024	Survey no. 45/1 (paiki) in Village - Lasudiya Parmar, Tehsil - Sanwer, Dist -Indore, Madhya Pradesh
4	Mr. Sunil Kumar Jain Nature: Sunil Kumar Jain is the Managing Director of NECC	Rs.75,000/-	01.03.2023 to 31.01.2024	Khasra No. 925 & 914/4, at 97A Shyam Enclave Giani Border P.O. Chikamberpur (U.P.)
5	Mr. Sunil Kumar Jain Nature: Sunil Kumar Jain is the Managing Director of NECC	Rs.75,000/-	01.03.2023 to 31.01.2024	97-A, Shyam Enclave, Giani Border P.O. Chikamberpur (U.P.) in respect of Khasra No. 926 & 914/3, Village Pasonda Tehsil and District Ghaziabad (U.P.)
6	Mr. Sunil Kumar Jain Nature: Sunil Kumar Jain is the Managing Director of NECC	Rs.25,000/-	01.03.2023 to 31.01.2024	Office no. C-1, 1st Floor, Durga Vihar Apartment, S.P. Verma Road, Mauza, Moharrampur, P.S. Gandhi Maidan, Patna
7	Mr. Sunil Kumar Jain Nature: Sunil Kumar Jain is the Managing Director of NECC	Rs.50,000/-	01.03.2023 to 31.01.2024	Godown No. K-12, Bharat Transport Nagar (AMI Krupa Society), Bhathena, Surat, Gujarat
8	Mr. Sunil Kumar Jain Nature: Sunil Kumar Jain is the Managing Director of NECC	Rs.20,000/-	01.03.2023 to 31.01.2024	Plot no. 2616, situated at Mouza - Pratap Nagari, Tehsil - Cuttack Sadar, Dist. Cuttack
9	Mr. Sunil Kumar Jain Nature: Sunil Kumar Jain is the Managing Director ofNECC	Rs.25,000/-	01.03.2023 to 31.01.2024	107/2A, District-Srikakulam, Village Munibadra, Ichapuram Mandalam, Ichapuram, Andhra Pradesh
10	Mr. Sunil Kumar Jain Nature: Sunil Kumar Jain is the Managing Director of NECC	Rs.1,50,000/-	01.03.2023 to 31.01.2024	Dag no. 1 (o)/20 (n) of Special KP Patta no. 1(o)/7 (n), situated in village Fatasil, Mauza - Jalukbari at A. K. Dev Road, Guwahati (covering ground & half of 1st Floor godown)
11	Mr. Sunil Kumar Jain Nature: Sunil Kumar Jain is the Managing Director of NECC	Rs.10,000/-	01.03.2023 to 31.01.2024	Premises no. 24, 26 & 27 situated at Laxmi Commercial Centre, II Floor, Near Arya Samaj Mandir, Kankaria Road, Ahmedabad-22

Sr. No.	Name of the related party and nature of relationship	Amount of Rent per month (Rs.)	Validity	Address
12	Mr. Sunil Kumar Jain Nature: Sunil Kumar Jain is the Managing Director of NECC	Rs.15,000/-	01.03.2023 to 31.01.2024	Plot No. 93-94-95-96, Block No. 36A, Auto Nagar, Telengana, Hyderabad-500070
13	Mr. Sunil Kumar Jain Nature: Sunil Kumar Jain is the Managing Director of NECC	Rs.10,000/-	01.03.2023 to 31.01.2024	premises at 17/3, Mathura Road, Faridabad - 121002
14	Mr. Sunil Kumar Jain Nature: Sunil Kumar Jain is the Managing Director of NECC	Rs.25,000/-	01.03.2023 to 31.01.2024	Plot no. 24, Sector -23, Transport Nagar, Nigdi, Pune-44
15	Mrs. Vanya Jain Nature: Mrs. Vanya Jain is Spouse of Mr. Sunil Kumar Jain	Rs.75,000/-	01.03.2023 to 31.01.2024	Khasra No. 925-926 at 97A. Vill. - Pasoda, Teh. & Dist. Ghaziabad(UP)
16	Mr. Utkarsh Jain Nature: Mr. Utkarsh Jain is the Whole time Director of NECC Ltd	Rs.50,000/-	01.03.2023 to 31.01.2024	Premises no. 25 situated at B-3, B-8, on Ground Floor C-3, First Floor of Bijoy Deep Building, Sevok Road, Siliguri
17	Shreyansh Buildtech Private Limited Nature: Directors of the Company are in the Board of Shreyansh Buildtech Private Limited	Rs.75,000/-	01.03.2023 to 31.01.2024	Khasra No. 921, Shyam Enclave, Vill - Pasonda, Tehsil & Dist., Ghaziabad (UP)
18	Shreyansh Buildwell Private Limited Nature: Directors of the Company are in the Board of Shreyansh Buildtech Private Limited	Rs.44,097/-	01.03.2023 to 31.01.2024	9062/47, Ram Bagh Road, Azad Market, Delhi-110006
19	Mrs. Vanya Jain Nature: Mrs. Vanya Jain is Spouse of Mr. Sunil Kumar Jain	Rs.5,000/-	01.03.2023 to 31.01.2024	Premises No. 25 situated at Laxmi Commercial Centre. Outside Raipur Gate, Near Arya Samaj Mandir, Kanakia Road, Ahmedabad -22

The above-mentioned Lease Agreements with related parties will be renewed upon expiry of the period stipulated.

OUR MARKETING APPROACH

One of the key elements of our business operations is our marketing strategy. Our marketing strategy is focused on understanding key aspects of consumer behavior and identifying opportunities. The core of our marketing strategy is to deliver product and service solutions to address these opportunities and to associate our brand with key consumer requirements.

The efficiency of the marketing and sales network is critical success of our Company. Our core competency lies in knowledge of the market for readymade garments. We take continuous efforts by way of market survey, conducting training programs for marketing staff, designing various discount schemes, conducting various events to target the market. Our company also benefited by the marketing support of the brands viz. advertisements, posters, images, catalogues, etc. provided by the companies for which we are retailing.

TECHNOLOGY

Our in-house technology systems enable us to improve our service quality and consistency and increase our operating efficiency. Our trucks are GPS enabled and our centralized information technology network provides seamless real time monitoring of our operations and consignment bookings and delivery status. Further, our centralized accounting systems enable us to implement stringent financial controls.

COMPETITION

The transport industry in which we operate is unorganized and fragmented with many small and medium-sized companies. Logistics being a global industry, we face competition from various domestic and international players. We compete with other service provider on the basis of service quality, price and reliability. While these factors are key parameters in client's decisions matrix in availing service, we try to offer the best quality service at economical price. Although a number of consolidators compete with us on a regional basis, only a limited number of consolidators compete with us in all of our geographic markets. We believe that the scale and scope of our operations allow us to meet our customers' requirements better than the smaller consolidators. Due to industry's fragmented nature, there is no authentic data available to our Company on total industry size and markets share of our Company vis-a-vis the competitors. Thus, we believe that our large network and comprehensive service offering as well as our established reputation enables us to compete effectively in the market.

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

As on date of this Letter of Offer, our Company currently has 8(Eight) directors on its Board, 1 (One) managing director, 1 (One) Whole-Time director and 6 (Six) Independent Director. The present composition of our Board of Directors and its committees are in accordance with the corporate governance requirements provided under the Companies Act and SEBI (LODR) Regulations, to the extent applicable.

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

Name, Designation, Address, Occupation, Term, Nationality, Date of Birth and DIN	Age (years)	Other Directorships
Sunil Kumar Jain *Designation*: Managing Director *Address*: C-3/15, Deep Market, Ashok Vihar Phase 2, Saraswati Vihar, North West Delhi – 110052, Delhi, India; *Occupation*: Business; *Term*: Liable to retire by rotation; *Period of Directorship*: October 01, 2021 till date; *Nationality*: Indian; *Date of Birth*: July 21, 1962; *DIN*: 00010695.	60	1. Shreyans Logistics Private Limited. 2. Gaurang Developers Private Limited 3. Super Realcon Private Limited 4. Shubhi Agencies Private Limited 5. N.E.C.C. Financial Services Private Limited 6. Indika Agro Products Private Limited 7. N E C C Securities Private Limited 8. N E C C Automobiles Private Limited 9. Suvi Developers Private Limited 10. N E C C Logistics Limited
Utsav Jain *Designation*: Independent Director; *Address*: E-50, Phase-1, Ashok Vihar, Ashok Vihar H.O., North West, Delhi– 110052, Delhi, India. *Occupation*: Business; *Term*: Not liable to retire by rotation; *Period of Directorship*: April 01, 2019 to March 31, 2024; *Nationality*: Indian; *Date of Birth*: February 12, 1985; *DIN*: 01609344.	38	1. Vintage Distillers Limited
Manoj Kumar Jain *Designation*: Independent Director; *Address*: A-67, First Floor, Surajmal Vihar, East Delhi, -110092, Delhi, India; *Occupation*: Business; *Term*: Not Liable to retire by rotation; *Period of Directorship*: April 01, 2019 to March 31, 2024; *Nationality*: Indian; *Date of Birth*: January 17, 1966; *DIN*: 01887411	57	1. N E C C Logistics Limited 2. MPS Infotecnics Limited 3. Karma Vastu Research Hub Private Limited 4. MPS Pharmaa Limited
Mohak Jain *Designation*: Independent Director; *Address*: C1/11, Phase 2, Ashok Vihar H.O., North West Delhi - 110052, Delhi, India; *Occupation*: Business; *Term*: Not Liable to retire by rotation; *Period of Directorship*: April 01, 2019 to March 31, 2024; *Nationality*: Indian; *Date of Birth*: September 16, 1988; *DIN*: 02525330.	34	1. Oberoi optics International Pvt Ltd. 2. N E C C Logistics Limited. 3. Vintage Distillers Limited. 4. ABM Capital Option Private Limited. 5. ABM Overseas Private Limited 6. Parsvnath Logistic LLP

Name, Designation, Address, Occupation, Term, Nationality, Date of Birth and DIN	Age (years)	Other Directorships
Utkarsh Jain *Designation*: Whole Time Director; *Address*: C-3/15, Deep Market, Ashok Vihar Phase 2, Saraswati Vihar, North West Delhi – 110052, Delhi, India; *Occupation*: Business; *Term*: Liable to retire by rotation; *Period of Directorship*: October 01, 2021 till date; *Nationality*: Indian; *Date of Birth*: April 20, 1994; *DIN*: 05271884.	28	1. N E C C Logistics Limited. 2. Suvi Developers Private Limited. 3. N E C C Automobiles Private Limited. 4. Shreyans Buildwell Private Limited. 5. N E C C Securities Private Limited. 6. Indika Agro Products Private Limited. 7. Shubhi Agencies Private Limited. 8. Super Realcon Private Limited. 9. Gaurang Developers Private Limited. 10. Shreyans Logistics Private Limited. 11. Shreyans Expressway LLP 12. Shreyans Buildtech Private Limited
Saurav Upadhyay *Designation*: Independent Director; *Address*: H. No-83, Sonbarsa-1, Bairiya Ballia-277208, Uttar Pradesh, India; *Occupation*: Business; *Term*: Not Liable to retire by rotation; *Period of Directorship*: February 14, 2023; *Nationality*: Indian; *Date of Birth*: December 15, 1985; *DIN*: 05350001.	37	1. Fanem Medical Devices India Private Limited 2. Trijal digital media private limited 3. Vision box india private limited
Ashutosh Kumar Dubey *Designation*: Independent Director; *Address*: House no. 88/5, Second Floor, galli no. 01, Shakarpur, East Delhi-110092; *Occupation*: Professional; *Term*: Not Liable to retire by rotation; *Period of Directorship*: February 14, 2023; *Nationality*: Indian; *Date of Birth*: February 02, 1986; *DIN*: 07621637.	37	1. Lexcom Advisors LLP
Priya Singh *Designation*: Independent Director; *Address*: B-72B, Shakarpur, Delhi-110092, India; *Occupation*: Professional; *Term*: Not Liable to retire by rotation; *Period of Directorship*: February 14, 2023; *Nationality*: Indian; *Date of Birth*: June 30, 1989 *DIN*: 08727539.	33	Nil

Confirmations

1. Past Directorships in suspended companies

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

2. Past Directorships in delisted companies

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

3. Relationship between Directors

As on the date of this Letter of Offer, the Directors are related to each other. The relationship has been given below:

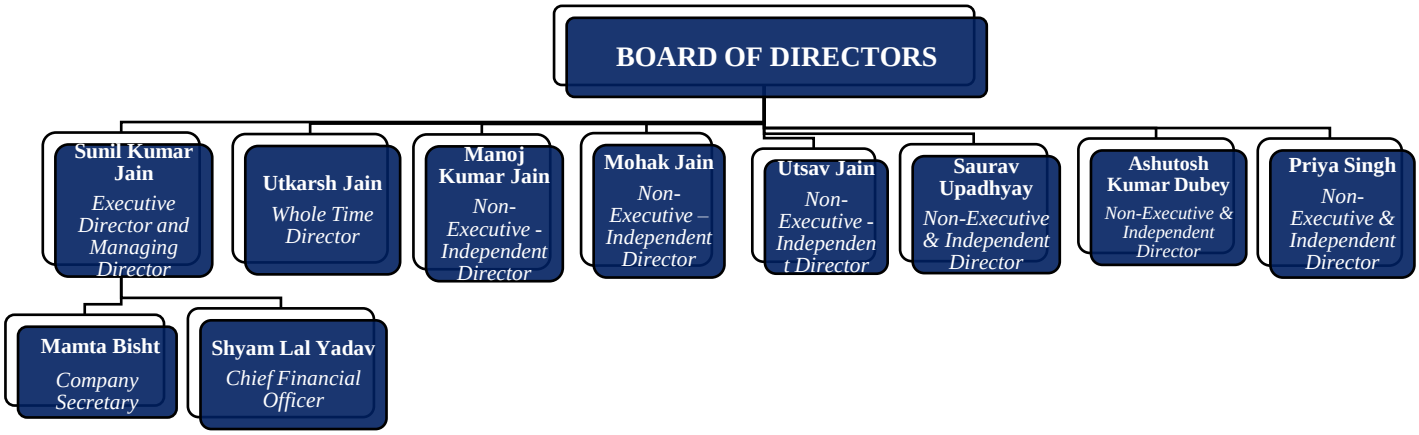
Sr. No.	Name of the Director	Relationship	Name of the Person
1.	Sunil Kumar Jain	Father	Utkarsh Jain
2.	Utkarsh Jain	Son	Sunil Kumar Jain

Arrangement or understanding with major Shareholders, customers, suppliers or others

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

Details of service contracts entered with Directors

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



DETAILS OF OUR KEY MANAGERIAL PERSONNEL AS ON THE DATE OF FILING OF THIS LETTER OF OFFER

1. Mr. Sunil Kumar Jain, aged 60 years, is the Chairman & Managing Director of our company. He has completed graduation in Commerce from University of Delhi. He has over 37 years of experience in transport, logistics and real estate industries, he has led NECC for achieving accelerated growth. Since 1999-2000 he leads the Company in all sectors vide operation, marketing and finance and had implemented new technologies vide computerization of head office, all regional offices and major branches in 2003. He equipped the vehicles with GPRS system. He has been awarded for his notable contribution to the Transport Sector by AITWA and for good business performance by "Inc. India 500" for his winning performance and stellar contribution to the Indian economy in terms of efficient entrepreneurship and growth.

2. Mr. Utkarsh Jain, aged 28 years, is the Whole Time Director of our company. He has completed his Graduation in BSc (hons) in Management Studies, from the University of Nottingham. He has over 8 years of experience in transport, logistics sector.

3. Mr. Shyam Lal Yadav aged 59 years is the Chief Financial Officer of our company. He has completed M.A in Economics. He has over 35 years of experience in accounts and finance. He is associated with our company since 1986.

4. Ms. Mamta Bisht, aged 34 years**,** is the Company Secretary and Compliance Officer of our company. She has completed Company Secretary and LLB. She has more than 10 years of experience in the field of Secretarial and Legal matters.

AUDIT REPORT ON INTERIM IND AS STANDALONE FINANCIAL STATEMENTS FOR PERIOD ENDED 31 DECEMBER, 2022

The Board of Directors
North Eastern Carrying Corporation Limited
Delhi

We have audited the accompanying Interim Ind AS standalone financial statements of North Eastern Carrying Corporation Limited (the 'Company') which comprise the Balance Sheet as at December 31, 2022, and the related Statement of Profit and Loss (including other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity for the nine months period ended December 31, 2022 and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as the "Interim Ind AS Standalone Financial Statements".

The management of the Company is responsible for the preparation and presentation of these Interim Ind AS Standalone Financial Statements in accordance with recognition and measurement principles laid down in IND AS 34 'interim Financial Reporting', and applicable Indian Accounting Standards ('1ND-AS') issued by the Institute of Chartered Accountants of India (ICAI) and other recognised accounting practices and policies in India. The Interim Ind AS Standalone Financial Statements are the responsibility of the Company's management and have been approved by the Board of Directors. Our responsibility is to express a conclusion on the Interim Ind AS standalone financial statements based on our audit.

We conducted our audit of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the 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 Statement is free of material misstatement. Audit of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures subject to followings: -

1. The Company has not provided Provision for doubtful debts since the management is of the opinion that Debtors are fully realizable.
2. The company has not recognized Right to Use assets of leased property since in the view of management the lease are not long term lease.
3. The debit and credit balances are subject to confirmation.

Based on our audit conducted as above, nothing has come to our attention that causes us to believe that the accompanying Interim Ind AS Standalone Financial Statements have not been prepared in all material respects in accordance with recognition and measurement principles laid down in IND AS 34 'Interim Financial Reporting' and applicable Indian accounting standards issued by institute of Chartered Accountants of India (1CAI) and other recognized accounting practices and policies in India.

This report on the Interim Ind AS Standalone Financial Statements has been issued solely in connection with preparation of the Company's financial information pursuant to requirements of Board of Directors.

For Nemani Garg Agarwal & Co.
Chartered Accountants
Firm's Registration Number: **010192N**

Sd/-
Dinesh Chand Kaushik
(Partner)

Membership Number.: **505463**
UDIN: 23505463BGWJST8844
Place of Signature: Delhi
Date: March 09, 2023

I. Report on the Audit of the Standalone Financial Statements

1. Opinion

A. We have audited the accompanying Statement of quarterly and year to date financial results of North Eastern Carrying Corporation Limited ("the Company") for the quarter and year ended 31 March 2022 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

B. **In our opinion and to the best of our information and according to the explanations given to us, the Statement:**

a. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

b. gives a true and fair view, in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India, of the net profit, other comprehensive income and other financial information for the quarter ended 31 March 2022 and net profit, other comprehensive income and other financial information for the year ended 31 March 2022.

2. **Basis of Qualified Opinion**

a. The company has not provided Provision for doubtful debts since the management is of the opinion that Debtors are fully realizable.

b. The company has not provided recognized Right to use assets of leased property since in view of management the lease are not long-term lease.

c. The debit and credit balances are subject to confirmation.

Our opinion is not modified in respect of above qualifications.

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

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.

Information Other than the Financial 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 Annual Report, but does not include the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.
Our opinion on the financial statements does not cover the other information and we will 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 during the course of our audit, or otherwise appears to be materially misstated.
When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

3. **Management's Responsibility for the Standalone Financial Statements**

A. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

B. In preparing the financial statements, the 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
The Board of Directors is also responsible for overseeing the Company's financial reporting process.

4. **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

A. 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 auditors' 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

i. Identify and assess the risk 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.

ii. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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.

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv. 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

v. 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.

C. 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 auditors' 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

As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

g. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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 financial statements- Refer Note on contingent liabilities to the 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 the amounts which was required to be transferred to the investor education and protection fund by the company.

iv.

a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or proposed dividend during the year.

For Nemani Garg Agarwal & Co.
Chartered Accountants
Firm's Registration Number: **010192N**

Sd/-
(CA. SK Nemani)
Partner

Membership Number: **037222**
UDIN: 22037222ALOUH1994
Place of Signature: New Delhi
Date: May 30, 2022

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of North Eastern Carrying Corporation Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

C. The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

D. Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self- constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

E. The Company has not revalued any of its Property, Plant and Equipment (including right of-use assets) and intangible assets during the year.

F. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.

ii. Company had no inventory during the year hence provision of clause 3(ii) (a) of the order is not applicable to the company.

The Company has sanction of working capital limits in excess of Rs.5 crore, in aggregate, during the year, from banks or financial institutions on the basis of security of current assets, and quarterly returns or statements filed by the company with banks are in agreement with the books of accounts of the Company.

iii. The Company has not made investments in, companies, firms, Limited Liability Partnerships, and has not granted unsecured loans to other parties, during the year, hence reporting under clause 3(iii) (a) to (f) of the order are not applicable to the company.

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under sub- section (1) of section 148 of the Companies Act, 2013

vii. In respect of statutory dues:

a. In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

b. Details of statutory dues referred to in sub- clause(a)above which have not been deposited as on March 31, 2022 on account of disputes are NIL.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix.

a. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest from any lender.

b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c. The Company has applied the term loan for the purpose for which the loans were obtained.

d. On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f. The Company has not raised any loans on the pledge of securities held in its subsidiary, joint ventures or associates companies

x.

a. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause3(x)(a) of the Order is not applicable.

b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi.

a. No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c. We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv.

a. In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b. We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion during the year the Company has not entered any non- cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi.

a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3 (xvi)(a), (b) and (c)of the Order is not applicable.

b. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash loss during the financial year covered by our audit and during the immediately preceding financial year.

xviii. There has been resignation of the statutory auditors of the Company during the year. However, no objections or concerns or issues were raised by outgoing auditors.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx.

a. There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

b. No amount unspent under sub section (5) of section 135 of Companies Act pursuant to any ongoing project for CSR amount was outstanding for transfer to special Account in compliance with the provision of sub section (6) of section 135 of Companies Act at the end of the Financial Year.

For Nemani Garg Agarwal & Co.
Chartered Accountants
Firm's Registration Number: **010192N**

Sd/-
(CA. SK Nemani)
Partner

Membership Number: **037222**
UDIN: 22037222ALOUH1994
Place of Signature: New Delhi
Date: May 30, 2022

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of North Eastern Carrying Corporation Limited)

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

1. Opinion

We have audited the internal financial controls with reference to financial statements of North Eastern Carrying Corporation Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to financial statements 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.

2. Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements 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 ('ICAl'). 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.

3. Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 auditors' judgment, including the assessment of the risks of material misstatement of the 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 with reference to financial statements.

4. Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

5. Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Nemani Garg Agarwal & Co.
Chartered Accountants
Firm's Registration Number: **010192N**

Sd/-
(CA. SK Nemani)
Partner
Membership Number: **037222**
UDIN: 22037222ALOUH1994
Place of Signature: New Delhi
Date: May 30, 2022

NORTH EASTERN CARRYING CORPORATION LIMITED
Statement of Assets and Liabilities As on

(All amounts Rs in. Lakhs, unless otherwise stated)

Particulars	Notes	Nine Months and Quarter ended 31.12.2022 Amount in Rs.	Year ended 31.03.2022 Amount In Rs.	Year ended 31.03.2021 Amount In Rs.	Year ended 31.03.2020 Amount In Rs.
(1) Non-current assets					
a) Property, Plant and Equipment	4	718.85	867.22	902.38	1,141.90
b) Other Intangible assets	5	386.96	426.99	480.37	533.74
c) Financial Assets					
i. Loans	6	280.66	281.06	291.68	300.57
d) Deferred Tax Assets (Net)		121.13	109.90	77.34	64.44
		1,507.60	**1,685.18**	**1,751.77**	**2,040.65**
(2) Current Assets					
a) Financial Assets					
(i) Investments		0	0	**0**	**0**
(ii) Trade receivables	7	10,584.50	10,585.98	10,433.43	11,534.62
(iii) Cash and cash equivalents	8	986.59	766.49	553.04	559.34
(iv) Bank balances other than (iii) above		0	0	0	0
(v) Loans	9	9,479.13	8,749.27	6,900.91	5,813.48
b) Other Current assets		1,527.06	0	0	0
		22577.26	**20,101.74**	**17,887.39**	**17,907.44**
Total Assets		**24,084.88**	**21,786.91**	**19,639.16**	**19,948.09**
EQUITY AND LIABILITIES					
(1) Equity					
a) Share Capital	10	5,019.73	5,019.73	5,019.73	5,019.73
b) Other Equity	11	5,375.40	4,873.88	4,452.31	4,309.30
		10,395.14	**9,893.61**	**9,472.04**	**9,329.03**
Liabilities					
(2) Non-Current Liabilities					
a) Financial Liabilities					
i. Borrowings	12	311.98	283.13	159.38	370.76
b) Provisions		232.87	256.49	0	0
c) Deferred Tax Liabilities		0	0	0	0
		544.85	**539.62**	**159.38**	**370.76**
(3) Current Liabilities					
a) Financial Liabilities					
i. Borrowings	13	10,938.16	9,810.59	8,457.42	7,241.14
ii. Trade Payables	14	761.65	352.56	398.41	580.91
iii. Other financial liabilities		0	0	0	0
b) Other Current Liabilities	15	922.57	818.98	735.77	1,012.30
c) Provisions	16	522.51	371.55	416.14	1,413.95
		13,144.89	**11,353.68**	**10,007.74**	**10,248.30**
Total Equity & Liabilities		**24,084.88**	**21,786.91**	**19,639.16**	**19,948.09**

As per our report of even date attached.

For and on behalf of board of
North Eastern Carrying Corporation Limited

For Nemani Garg Agarwal & Co.
Firm Regn. No. 010192N
Chartered Accountants

Dinesh Chand Kaushik
Partner
M.No.: 505463
UDIN:- 23505463BGWJST8844

Sunil Kumar Jain
Managing Director
DIN: 00010695

Utkarsh Jain
Director
DIN: 05271884

Mamta Bisht
Company Secretary
M. No. 30347

S. L. Yadav
CFO

Place: New Delhi

Date: 09.03.2023

NORTH EASTERN CARRYING CORPORATION LIMITED Statement Of Profit And Loss For (All amounts in INR Lakhs, unless otherwise stated)					
Particulars	**Notes**	**Nine months and Quarter ended 31.12.2022 Amount in Rs.**	**Year ended 31.03.2022 Amount In Rs.**	**Year ended 31.03.2021 Amount In Rs.**	**Year ended 31.03.2020 Amount In Rs.**
INCOME					
Revenue from operations	17	23,260.73	25,042.77	23,058.64	37,629.94
Other Income	18	38.13	42.75	215.11	189.60
Total		**23,298.86**	**25,085.53**	**23,273.75**	**37,819.54**
EXPENSES					
Operating/Direct Cost/Services Availed	19	19,578.55	20,628.59	19,399.70	32,552.19
Employee Benefit Expenses	20	1,081.20	1,305.47	1,310.16	1,536.72
Financial Costs	21	556.06	603.69	685.60	684.62
Depreciation and Amortization Expense	22	211.90	372.74	310.26	310.57
Other Administrative Expenses	23	1,165.59	1,606.39	1,449.89	1859.87
Total		**22,593.31**	**24,516.89**	**23,155.61**	**36,943.98**
Profit before exceptional and extraordinary items and tax		705.55	568.64	118.14	875.56
Exceptional Items		-	-	-	-
Profit before extraordinary items and tax		705.55	568.64	118.14	875.56
Extraordinary Items		-	-	-	-
Profit before tax		705.55	568.64	118.14	875.56
Tax expense:					
(1) Provision for Current tax (Income Tax)		197.22	(203.18)	45.49	246.63
(2) Deferred Tax Savings/(Charge)		(11.23)	32.55	(12.90)	(10.03)
(3) Provision for tax(Earlier year) W/back		31.96	(27.73)	(57.45)	0
Profit/(Loss) from the period from continuing operations		487.61	425.75	143.01	638.96
Profit/(Loss) from discontinued operations		-	-	-	-
Tax expense of discountinued operations		-	-	-	-
Profit/(Loss) from Discontinued operations		-	-	-	-
Profit/(Loss) for the period		**487.61**	**425.75**	**143.01**	**638.96**
Other comprehensive income					
(A)(i) Items that will not be reclassified to profit or loss:		-	-	-	-
(ii) Income tax relating to item that will not be classified to Profit and Loss		-	-	-	-
(B) (i) Items that will be reclassified to profit or loss:		18.59	(4.18)	-	-
(ii) Income tax relating to item that will be classified to Profit and Loss - Loss on reclassification of gratuity		(4.68)	-	-	-
Total Other Comprehensive Income		**13.91**	**4.18**	**-**	**-**
Total Comprehensive Income for the year		**501.52**	**421.57**	**143.01**	**638.96**
Earning per equity share:					
(1) Basic		0.97	0.85	0.28	1.27
(2) Diluted		0.97	0.85	0.28	1.27

Significant Accounting Policies 1,2,3

The Notes No. 1 to 56 are integral part of these financial statements.

As per our report of even date attached.

For Nemani Garg Agarwal & Co.
Firm Regn. No. 010192N
Chartered Accountants

Dinesh Chand Kaushik
Partner
M.No.: 505463
UDIN:-23505463BGWJST8844

Place: New Delhi
Date: 09.03.2023

For and on behalf of board of
North Eastern Carrying Corporation Limited

Sunil Kumar Jain
Managing Director
DIN: 00010695

Utkarsh Jain
Director
DIN: 05271884

Mamta Bisht
Company Secretary
M. No. 30347

S. L. Yadav
CFO

NORTH EASTERN CARRYING CORPORATION LIMITED

Cash Flow Statement for

Particulars	Nine months and Quarter ended 31.12.2022	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2020
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
A. Cash Flow from Operating Activities:				
Net Profit before taxation	719.46	568.64	118.14	875.56
Add: Depreciation	211.90	372.74	310.26	310.57
Sub-Total	**931.36**	**941.38**	**428.4**	**1,186.13**
Add: Other Comprehensive Income	-	(4.18)	0	0
Less: Profit on Sale of Fixed Assets	(14.75)	(36.59)	(2.39)	75.84
Less: Interest on Income Tax Refund/Other Interest	21.11	5.06	54.72	3.27
Operating Profit before working capital changes	**895.50**	**895.56**	**371.29**	**1,258.70**
Add: Decrease in Sundry Debtors	1.49	(152.55)	1,101.18	(555.15)
Less: Increase in Loans & Advances	(2,256.52)	(1,837.73)	(1,078.54)	(1,561.11)
Add: Increase in Liabilities	640.01	249.26	(1,456.84)	712.84
Cash generated from operations	**(719.52)**	**(845.46)**	**(1,062.91)**	**(144.71)**
Less: Income Tax Paid/ Provided	229.18	175.45	(11.96)	246.63
Net Cash from Operating Activities (A)	**(948.69)**	**(1,020.91)**	**(1,050.94)**	**(391.34)**
B. Cash Flow from Investing Activities:				
Add: Sale Proceeds of Fixed Assets	17.55	64.77	4.00	121.68
Add: Interest on Income Tax Refund/Other Interest	21.11	5.06	54.72	3.27
Less: Purchase of Fixed Assets (Net)	26.29	312.39	18.98	151.62
Net Cash Outflow from Investing Activities (B)	**12.37**	**(242.56)**	**39.74**	**26.67**
C. Cash Flow from Financing Activities:				
Increase in Secured Borrowings	933.23	1,017.23	-872.85	285.94
Increase in Unsecured Loans	223.20	459.68	1,877.75	89.25
Net Cash Inflow from Financing Activities (C)	**1,156.43**	**1,476.91**	**1,004.90**	**375.19**
Net Increase in Cash & Cash Equivalents (A+B+C)	**220.09**	**213.44**	**-6.30**	**-42.81**
Add: Cash & Cash Equivalents at beginning of Year	766.48	553.04	559.34	602.15
Cash & Cash Equivalents at end of Year	**986.57**	**766.48**	**553.04**	**559.34**

As per our report of even date attached.

For and on behalf of board of
North Eastern Carrying Corporation Limited

For Nemani Garg Agarwal & Co.
Firm Regn. No. 010192N
Chartered Accountants

Dinesh Chand Kaushik
Partner
M.No.: 505463
UDIN: -23505463BGWJST8844

Sunil Kumar Jain	Utkarsh Jain
Managing Director	Director
DIN: 00010695	DIN: 05271884
Mamta Bisht	S. L. Yadav
Company Secretary	CFO
M. No. 30347	

Place: New Delhi
Date: 09.03.2023

The above Cash Flow Statement has been prepared under the Indirect method as set out in Indian Accounting Standard (IND AS-7).The amendments to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact on the financial statements of the Company.

NORTH EASTERN CARRYING CORPORATION LIMITED

Statement of Changes in Equity (SOCE) for

A. Equity Share Capital

Amount Rs. in Lakhs

Particulars	As at April 1, 2019	Change in equity share capital during the year	As at March 31, 2020	Change in equity share capital during the year	As at March 31, 2021	Change in equity share capital during the year	As at March 31, 2022	Change in equity share capital during the year	As at December 31, 2022
Equity Share	5020	-	5,020	-	5,020	-	5,020	-	5,020

B. Other Equity

Amount Rs. in lakhs

Particulars	Shree Ganesh Ji Maharaj	Reserves & Surplus	Total
		Retained Earnings	
Balance as at April 01, 2019	0.01	3,670.33	3,670.34
Profit for the period		638.96	638.96
Other comprehensive income (net of tax)		-	-
Balance as at March 31, 2020	**0.01**	**4,309.29**	**4,309.30**
Profit for the period	-	143.01	143.01
Other comprehensive income (net of tax)	-	-	-
Balance as at March 31, 2021	**0.01**	**4,452.30**	**4,452.31**
Profit for the period	-	425.75	425.75
Other comprehensive income (net of tax)	-	(4.18)	(4.18)
Balance as at March 31, 2022	**0.01**	**4,873.87**	**4,873.89**
Profit for the period	**-**	**487.61**	**487.61**
Other comprehensive income (net of tax)	**-**	**13.91**	**13.91**
Balance as at December 31, 2022	**0.01**	**5,375.39**	**5,375.39**

For Nemani Garg Agarwal & Co.
Firm Regn. No. 010192N
Chartered Accountants

Sd/-
Dinesh Chand Kaushik
Partner
M.No.: 505463
UDIN:- 23505463BGWJST8844

Place: New Delhi
Date: 09.03.2022

For and on behalf of board of
North Eastern Carrying Corporation Limited

Sunil Kumar Jain
Managing Director
DIN: 00010695

Utkarsh Jain
Director
DIN: 05271884

Mamta Bisht
Company Secretary
M. No. 30347

S. L. Yadav
CFO

NOTES TO THE FINANCIAL STATEMENTS

1. Corporate information

North Eastern Carrying Corporation Limited is a Limited Company incorporated under the provisions of the Companies Act, 1956. The company is engaged in the business of transportation.

2. Basis of preparation of Financial Statements

i. Statement of compliance:

ii.

The financial statements of the Company for the period ended 31December 2022 are prepared in all material aspects in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting. Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and relevant provisions of the Companies Act, 2013.

iii. Basis of Preparation:

iv.

Effective April1,2017, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS101 First time adoption of Indian Accounting Standards, with April 1, 2016 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

v. Basis of Measurement:

The financial statements have been prepared under the historical cost convention except for the following which have been measured at fair value:

- Financial assets and liabilities except borrowings carried at amortized cost

3. Significant accounting policies:

i. Property, plant and equipment:

Property, plant and equipment are stated at original cost net of tax /duty credit availed, less accumulated depreciation and accumulated impairment Losses, if any, Cost includes all incidental expenses relating to acquisition and installation of Property, plant and equipment.

Depreciation on computers and related equipment is provided on the written down value method except of Lorry & Trucks on which depreciation is provided on straight line - method over their useful lives and in the manner prescribed under Schedule II of the Companies Act, 2013. Depreciation on Goodwill is being provided on straight line method over ten years.

An Item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

ii. Cash and cash equivalents:

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are ready convertible into known amounts of cash and which are subject to insignificant risk of change in value.

iii. Employees Benefits:

a) Short term employee benefits

All employees' benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

b) Post-employment benefits

The Company makes specified monthly contribution towards employee provident fund to the Government. The minimum interest payable by the Government to the beneficiaries every year is notified by the government.

The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date.

Termination benefits:

Termination benefits are recognised as an expense in the period in which they are incurred.

iv. Foreign currency transactions:

a) **Functional and presentation Currency**

The Company's financial statements are presented in INR, which is also the Company's functional and presentation currency.

b) **Transaction and Balance**

Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. The resultant exchange differences are recognised in the Statement of profit and loss.

Non-Monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transactions.

v. Revenue recognition:

Revenue is recognised to the extent that it is possible that the economic benefits will flow to the company and the revenue can be reliably measured.

vi. Provisions and contingencies

a) Provisions

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 of the amount of the obligation. Provisions are reviewed at each reporting period and are adjusted to reflect the current best estimate.

b) Contingencies

A disclosure for contingent liability is made when there is possible obligation arising from past event the existence of which will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

A disclosure for contingent assets is also made when there is possibility of an inflow of economic benefits to the entity which arise from unplanned or other unexpected events.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

vii. Earnings per share:

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year.

viii. Income Taxes:

Income tax comprises current tax (including MAT) and deferred tax. Income tax expenses is recognized in net profit in statement of Profit and loss extent to the extent that it relates to items recognised directly in other comprehensive income/equity, in which case it is recognized in other comprehensive income/equity.

Current Tax is the amount of tax payable on the estimated taxable income for the current year as per the provisions of Income Tax Act, 1961.Current tax asset and liabilities are offset when company has a legally enforceable right to set off the recognized amount and also intends to settle on net basis.

Deferred income tax assets and liabilities are recognised for deductible and taxable temporary difference arises between the tax basses of assets and liabilities and their carrying amount in the financial statement.

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that sufficient taxable profit will be available against which those deductible temporary differences can be utilised. Deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax is measured at the tax rates and tax law that that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the year in which those temporary difference is expected to be recovered or settled.

ix. Financial instruments:

Initial measurement

Financial instruments are recognised as soon as the company become a party to the contractual provision of the instruments. All Financial assets and financial liabilities are measured at fair value on initial recognition, except for trade receivable which are initially measured at transaction price. Transaction cost that are directly attributable to the acquisition or issue of financial instrument (other than financial measured at fair value through profit or loss) are added or deducted from the value of the financial instrument, as appropriate, on initial recognition.

Financial Instrument stated as financial assets or financial liabilities are generally not offset, and they are only offset when a legal right to set off exist at that and settlement on a net basis is intended.

Subsequent measurement

Financial assets:

Subsequent measurement of financial assets depends on their classification as follows: -

a) Financial asset carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within business model whose objective is to hold the asset in order to collect contractual cash flow and the contractual term of the asset give rise on specified dates to cash flow that are solely payment of principal and interest on the principal amount outstanding.

b) Financial asset carried at Fair Value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial asset the contractual term of the asset give rise on specified dates to cash flow that are solely payment of principal and interest on the principal amount outstanding.

For all other equity instrument, the company make irrevocable election to present in other comprehensive income subsequent change in fair value. The company makes such election on an instrument- to- instrument basis.

c) Financial asset carried at Fair Value through Profit and loss

A financial asset which is not classified in any of the above category is subsequently measured at fair value through profit and loss.

Financial liabilities and equity instruments:

Debts and equity instrument issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definition of a financial liability and an equity instruments.

a) Equity Instruments

An equity instrument is any contract that an evidence and residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recognized at the proceeds received, net of direct issue costs.

b) Financial Liabilities

All Financial liabilities are subsequently measured at amortized cost using the Effective interest method.

De-recognition of financial Instrument:-

A financial asset is primarily derecognized when the contractual right to the cash flow from the financial asset expires and it transfers the financial asset. A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

x. Impairment

A. **Financial Asset**

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

B. Non-Financial Asset

a) Property, plant and equipment and Intangible asset

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated as higher of its net selling price and value in use. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of profit and loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, had no impairment loss been recognized. Post Impairment, depreciation/amortization is provided on the revised carrying value of the impaired assets over its remaining useful life.

4. Critical accounting estimates, assumptions and judgements:

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement. Uncertainty about these assumptions and estimates could result in outcome that require a material adjustment to assets or liabilities affected in future periods.

i. Property, plant and equipment

Property, Plant and equipment represent at proportion of the asset base of the company. The useful lives and residual value of the company's asset are determined by the management at the time the asset is acquired and reviewed at each reporting date.

ii. Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

iii. Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

iv. Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables and advances are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

v. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the assets's recoverable amount. An assets's recoverable amount is the higher of an assets's or CGU's fair value less costs of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

vi. Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

vii. Fair value measurement of financial instruments

When the fair values of financials assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

Notes forming part of Balance Sheet & Statement of Profit & Loss

Note - 4 and 5 Property, Plant, Equipment and Other Intangible Assets

Particulars	Computers	Office Equipment	Furniture & Fixtures	Electrical Installation & Fittings	Lorry & Trucks (SLM)	Cars, Scooters & Cycles	Land	Building	Total	Goodwill	Total
Gross Block											
As at April 1, 2019	**140.00**	**42.82**	**80.72**	**8.38**	**2,084.86**	**498.59**	**33.21**	**272.12**	**3160.71**	**533.74**	**533.74**
Additions	**4.32**	**3.32**	**1.06**	**-**	**52.03**	**90.87**	**-**	**-**	**151.61**	**-**	**-**
Disposal	-	-	-	-	**566.74**	**61.81**	**-**	**-**	**628.57**	**-**	**-**
Adjustments	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2020	**144.32**	**46.14**	**81.78**	**8.38**	**1,570.15**	**527.65**	**33.21**	**272.12**	**2,683.77**	**533.74**	**533.74**
Additions	4.79	1.19	0 .16	-	-	12.84	-	-	18.98	-	-
Disposal	-	-	-	-	12.26	2 .88	-	-	15.14	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2021	**149.12**	**47.33**	**81.95**	**8.38**	**1,557.90**	**537.61**	**3 3.21**	**272.12**	**2,687.61**	**533.74**	**533.74**
Additions	4.47	1.1	-	-	169.48	137.34	-	-	312.39	-	-
Disposal	-	-	-	-	71.74	101.18	-	4.26	177.18	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2022	**153.59**	**48.43**	**81.95**	**8.38**	**1,655.63**	**573.77**	**33.21**	**267.86**	**2,822.83**	**533.74**	**533.74**
Additions	**1.66**	**0.71**	**0.07**	**-**	**-**	**23.85**	**-**	**-**	**26.29**	**-**	**-**
Disposal	**-**	**-**	**-**	**-**	**49.58**	**-**	**-**	**-**	**49.58**	**-**	**-**
Adjustments	-	-	-	-	-	-	-	-	-	-	-
As at December 31, 2022	**155.25**	**49.14**	**82.02**	**8.38**	**1,606.06**	**597.62**	**33.21**	**267.86**	**2,799.54**	**533.74**	**533.74**
Accumulated Depreciation											
As at April 1, 2019	**127.09**	**37.53**	**72.4**	**6.67**	**942.87**	**345.76**	**-**	**130.00**	**1,662.33**	**-**	**-**
Depreciation for the period	**6.04**	**2.68**	**1.47**	**0.46**	**232.99**	**60.00**	**-**	**6.92**	**310.57**	**-**	**-**
Disposal	**-**	**-**	**-**	**-**	**400.76**	**30.28**	**-**	**-**	**431.03**	**-**	**-**
Adjustments	-	-	-	-	-	-	-	-	-	-	-
As at April 1, 2020	**133.13**	**40.22**	**73.87**	**7.13**	**775.11**	**375.48**	**-**	**136.93**	**1 ,541.87**	**-**	**-**
Depreciation for the period	3.76	2.22	1.18	0.32	196.15	46.68	-	6.58	256.89	53.37	53.37

Particulars	Computers	Office Equipment	Furniture & Fixtures	Electrical Installation & Fittings	Lorry & Trucks (SLM)	Cars, Scooters & Cycles	Land	Building	Total	Goodwill	Total
Disposal	-	-	-	-	10.79	2 .74	-	-	13.53	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2021	**136.89**	**42.44**	**75.05**	**7.45**	**960.46**	**419.43**		**143.51**	**1 ,785.23**	**53.37**	**53.37**
Depreciation for the period	5.13	1.75	0.88	0.20	189.47	115.68	-	6.26	319.37	53.37	53.37
Disposal	-	-	-	-	59.05	88.60	-	1.35	149.00	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2022	**142.02**	**44.18**	**75.94**	**7.65**	**1,090.88**	**446.51**	**-**	**148.42**	**1,955.60**	**106.75**	**106.75**
Depreciation for the period	2.64	0.96	0.48	0.08	133.40	29.73	-	4.58	171.87	40.03	40.03
Disposal	-	-	-	-	46.78	-	-	-	46.78	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-	-
As at December 31, 2022	**144.66**	**45.14**	**76.42**	**7.73**	**1,177.50**	**476.24**	**-**	**153.00**	**2080.69**	**146.78**	**146.78**
Net carrying amount											
As at March 31, 2020	**11.19**	**5.92**	**7.91**	**1.25**	**7.95**	**152.16**	**33.21**	**135.2**	**1,141.90**	**533.74**	**533.74**
As at March 31, 2021	**12.23**	**4.89**	**6.89**	**0.94**	**597.43**	**118.18**	**33.21**	**128.61**	**902.38**	**480.37**	**480.37**
As at March 31, 2022	**11.56**	**4.25**	**6.01**	**0.74**	**564.75**	**127.27**	**33.21**	**119.44**	**867.22**	**426.99**	**426.99**
As at December 31, 2022	**10.59**	**4.00**	**5.60**	**0.65**	**428.56**	**121.38**	**33.21**	**114.86**	**718.85**	**386.96**	**386.96**

Particulars	As on 31.12.2022 Amt. In (Rs. Lakhs)	As On 31.03.2022 Amt. In (Rs. Lakhs)	As On 31.03.2021 Amt. In (Rs. Lakhs)	As On 31.03.2020 Amt. In (Rs. Lakhs)
Note: 6 Non-Current Loans				
(Unconfirmed, Unsecured and Considered Good)				
Security Deposits	14.45	1.97	1.72	1.82
Earnest Money Deposits	78.56	79.86	80.24	82.54
Landlord Security Deposits	187.64	199.24	209.72	216.21
Total	**280.66**	**281.06**	**291.68**	**300.57**
Note: 7 Trade Receivables				
(Unconfirmed, Unsecured and Considered Good)				
Debts outstanding for more than six months	10,584.50	961.43	981.30	839.74
Others Debts	0	9,624.56	9,452.13	106,94.87
Total	**10,584.50**	**10,585.98**	**10,433.43**	**115,34.62**
Note: 8 Cash & Cash Equivalent				
Cash-in-Hand				
Cash in Hand	779.57	673.83	411.44	426.93
Funds In Transit	125.79	27.32	43.42	18.81
Total	**905.36**	**701.16**	**454.86**	**445.74**
Bank Balance				
Balance - In Current A/c	66.79	50.38	83.95	85.99
Fixed deposit under PMGKY (Three Years Maturity)	0	0	0	17.50
Balance - In Fixed Deposits	14.44	14.94	14.22	10.11
Total	**81.23**	**65.32**	**98.18**	**113.60**
Total	**986.59**	**766.48**	**553.04**	**559.34**
Note: 9 Loans				
(Unconfirmed, Unsecured & Considered Good)				
(Advance recoverable in cash or in kind or for value to be recd.)				
Staff Advances	371.45	354.79	314.25	305.51
Rates & Taxes Receivable	452.37	460.77	84.21	151.91
Prepaid Expenses & Recoverable	11.95	17.99	19.54	22.85
Advance Income Tax/TDS (AY 23-24)	325.15	0	0	0
Advance Income Tax/TDS (AY 22-23)	323.58	323.58	0	0
Advance Income Tax/TDS (AY 21-22)	0	296.33	296.33	0
GST	18.77	40.09	0	0
GST Deposit under protest	54.58	54.58	0	1.43
Other Advances	7,908.21	7,188.18	6,174.27	3,663.36
Interest Accrued but not received on FDR	13.08	12.95	12.31	11.85
Total	**9,479.13**	**8,749.27**	**6,900.91**	**5813.48**
Note: 11 Other Equity				
Refer Statement of change in Equity for detailed movement in equity balance				
Shree Ganesh Ji Maharaj	0.01	0.01	0.01	0.01
Reserves & Surplus	0	0	0	0
Retained Earnings	5,375.39	4,873.87	4,452.30	4,309.29
Total	**5,375.40**	**4,873.88**	**4,452.31**	**4309.29**

Particulars	As on 31.12.2022 Amt. In (Rs. Lakhs)	As On 31.03.2022 Amt. In (Rs. Lakhs)	As On 31.03.2021 Amt. In (Rs. Lakhs)	As On 31.03.2020 Amt. In (Rs. Lakhs)
Note: 12 Non Current Borrowings				
Refer note-54A for Security details				
Vehicle Loans:				
ICICI Bank Ltd	0	0	0.22	2.77
HDFC Bank Limited	240.11	208.53	153.21	338.11
Axis Bank	**0**	**0**	**5.95**	**29.88**
BMW Financial Services Limited	**71.87**	**74.60**	**0**	**0**
Total	**311.98**	**283.13**	**159.38**	**370.76**
Note: 13 Current Borrowings				
Refer note-54 B for Security details				
HDFC Bank Limited	252.09	109.58	357.04	340.13
ICICI Bank Limited	0	0.22	2.54	2.30
Kotak Mahindra Bank	0	0	0	52.35
Axis Bank	0	5.95	23.93	21.83
BMW Financial Services Limited (Secured against hypothecation of vehicles financed)	11.88	18.30	0	0
Kotak Mahindra Bank (OD A/c)	5,333.59	4,557.92	3,415.09	4171.68
DBS (O/D and WCDL) (All the loans secured against hypothecation/charge on all the current assets incl. Book Debts and collaterally secured by charge against properties of Directors of the Company and other Associate companies and personal guarantee of some of Directors, their HUF and Corporate Guarantee of Associate companies)	2,476.97	2,478.19	2,478.06	2,349.84
Unsecured Loans	2,863.63	2,640.43	2,180.75	303.00
Total	**10,936.16**	**9,810.59**	**8,457.42**	**7,241.14**
Note: 14 Trade Payables				
Sundry Creditors	761.55	352.56	398.41	580.91
Total	**761.55**	**352.56**	**398.41**	**580.91**
Note: 15 Other Current Liabilities				
Security Deposits	0.30	0.65	0.66	0.75
E. S. I. Payable	1.48	2.02	1.49	1.69
Provident Fund Payable	11.17	21.22	9.99	10.49
Professional Tax Payable	0.09	0.24	0.17	0.13
T. D. S. Payable	53.58	38.11	37.43	60.20
GST Payable	231.65	139.28	88.17	246.10
Bonus/ Ex-Gratia Payable	48.71	64.95	67.58	80.39
VAT Payable	0.84	1.49	-	-
Lorry Freight Payable	138.27	94.37	93.34	153.43
Claim Payable	0	0.57	0.28	1.77
Other Expenses & Liabilities Payable	436.47	456.08	436.64	457.35
Total	**922.57**	**818.98**	**735.77**	**1,012.30**

Particulars	As on 31.12.2022 Amt. In (Rs. Lakhs)	As On 31.03.2022 Amt. In (Rs. Lakhs)	As On 31.03.2021 Amt. In (Rs. Lakhs)	As On 31.03.2020 Amt. In (Rs. Lakhs)
Note: 16 Current provisions				
Provision for I. Tax (AY 2023-2024)	197.22	0	0	0
Provision for I. Tax (AY 2022-2023)	203.18	203.18	0	0
Provision for I. Tax (AY 2021-2022)	0	45.49	45.49	0
Provision for Gratuity	132.71	122.89	370.66	406.18
Total	**522.51**	**371.55**	**416.14**	**1,413.95**
Note: 17 Revenue from Operations				
Freight	21,781.57	24,503.25	22,340.35	37,233.19
Loading &Unloading	895.73	386.97	718.30	396.75
Warehouse Income	583.43	152.55	0	0
Total	**23,260.73**	**25,042.77**	**23,058.64**	**37,629.94**
Note: 18 Other Income				
Profit on sale of Fixed Assets	14.75	36.59	2.39	0
Discount on Finance	0	1.11	0.12	4.51
Insurance Claim	0	0	0	1.65
Interest received	21.11	5.06	54.72	3.72
Rental Income	2.27	0	0	0
Lorry Maintenance	0	0	137.87	143.78
Warehouse Income	0	0	20.01	36.39
Total	**38.13**	**42.75**	**215.11**	**189.60**
Note: 19 Operating / Direct Cost/ Services Availed				
Lorry Freight	18,055.68	19,987.96	18,560.12	32,019.29
Loading Expenses	844.67	363.77	687.06	349.22
Commission	61.07	72.60	106.09	86.05
Claims	53.51	68.88	36.78	75.62
Warehouse Charges	563.59	135.38	9.64	22.01
Total	**19,578.55**	**20,628.59**	**19,399.70**	**32,552.19**
Note: 20 Employee Benefit Expenses				
Establishment Expenses	924.92	1,102.77	1,085.84	1,261.94
PF/ESI	64.69	70.41	121.33	141.26
Gratuity	28.86	42.42	24.69	45.69
Recruitment & Training Expenses	0.25	3.54	0.97	0.39
Directors Remuneration	45.75	61.00	61.00	61.00
Staff Welfare	16.74	25.33	16.33	26.42
Total	**1,081.20**	**1,305.47**	**1,310.16**	**1536.72**
Note: 21 Financial Cost				
Bank Interest	392.56	551.08	612.82	612.93
Processing Charges	13.53	5.26	13.82	0
Interest on Loan	110.50	1.50	0	0
Finance Cost - Vehicles	39.46	45.86	58.96	71.70
Total	**556.06**	**603.69**	**685.6**	**684.63**

Particulars	As on 31.12.2022 Amt. In (Rs. Lakhs)	As On 31.03.2022 Amt. In (Rs. Lakhs)	As On 31.03.2021 Amt. In (Rs. Lakhs)	As On 31.03.2020 Amt. In (Rs. Lakhs)
Note: 22 Depreciation & Amortised Cost				
Depreciation and amortisation	211.90	372.74	310.26	310.57
Total	**211.90**	**372.74**	**310.26**	**310.57**
Note: 23 Other Administrative Expenses				
Advertisement & Publicity	1.57	3.40	2.62	7.73
Books & Periodicals	0	0	0.02	0.07
Business Promotion	0.24	0.22	0.04	0.23
Bank Charges & Comm.	5.72	6.45	38.8	15.71
Car Expenses	17.99	25.33	14.81	20.90
Conveyance & Scooter Petrol	10.80	11.88	11.44	14.82
Corporate Social Responsibility Expenditure	0	12.30	2.30	8.32
Donation	0.21	0	0	0
Diwali Expenses	6.42	8.28	4.72	4.08
Electricity & Water Charges	44.85	55.17	51.37	58.59
Fees, Rates & Taxes	17.00	49.06	8.09	13.05
General Expenses	6.19	7.56	6.99	10.15
Generator Hire & Maintenance Charges	4.94	10.52	5.96	6.32
Insurance	41.24	43.02	64.71	80.71
Interest/Penalty on Late Deposit TDS	3.06	1.66	9.02	10.30
Interest on ESIC	0.37	0	0	0
Interest on late deposit of GST	11.67	18.65	16.53	38.63
GST Late deposit Fees	12.25	1.99	1.73	2.62
GST	1.93	6.36	3.18	15.42
VAT Late fees	0.06	0.70	0	0
Internet Charges	1.25	12.26	14.11	7.86
Legal & Professional Expenses	56.96	87.33	79.76	101.26
Loss on Sale of Fixed Assets	0	0	0	75.84
Office Expenses	3.41	5.23	5.06	5.23
Packing & Forwarding Expenses	1.15	0.93	1.00	2.00
Penalty	0	0	0	0.01
Payment to Auditors	3.00	4.00	3.00	3.00
Postage & Courier	7.27	11.64	9.75	14.96
Printing & Stationary	15.08	20.32	24.45	41.70
Rent	615.61	824.26	768.47	933.27
Repair & Maintenance	133.91	201.58	184.9	195.73
Scooter Expenses	22.62	26.80	22.3	24.39
Security Guard Charges	11.60	28.57	18.77	18.59
Subscriptions	1.08	1.93	1.98	3.05
Software Expenses	5.94	0 .59	0	0
Telephone Expenses	14.00	21.22	19.31	23.83
Travelling Expenses	86.20	97.16	54.69	101.50
Total	**1,165.59**	**1,606.39**	**1,449.89**	**1,859.87**

Particulars	As on 31.12.2022 Amt In (Rs. Lakhs)	As On 31.03.2022 Amt In (Rs. Lakhs)	As On 31.03.2021 Amt In (Rs. Lakhs)	As On 31.03.2020 Amt In (Rs. Lakhs)
Note - 10: Share Capital				
Authorized Share Capital:				
100000000 (54000000) Equity Shares of Rs. 10 each	10,000.00	10,000.00	5,400.00	5,400.00
Issued, Subscribed and fully paid up shares:				
50197336 (50197336) Equity Shares of Rs. 10 each fully paid up	5,019.73	5,019.73	5,019.73	5,019.73

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period		
At the beginning of the period	5,01,97,336	5,01,97,336
Issued during the period	0	0
At the end of the period	5,01,97,336	5,01,97,336

Terms/Rights attached to equity shares

a) The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share. The equity share holder are eligible for dividend, if so declared. The dividend proposed by the board of directors is subject to the approval of the share holders in the ensuing annual general meeting, except in case of Interim Dividend.

b) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period and during five years immediately preceding the reporting date.

Details of Shareholders holding more than 5% equity shares in the company		
NECC Automobiles (P) Limited	8334152 (16.60%)	8334152 (16.60%)
NECC Securities (P) Limited	7656880 (15.25%)	7656880 (15.25%)
Suvi Developers P Ltd	1631400 (3.25%)	1631400 (3.25%)
Religare Finvest Limited	6036494 (12.03%)	6036494 (12.03%)
Vanya Jain	5019565 (10%)	5019565 (10%)
Utkarsh Jain	3798114 (7.57%)	3798114 (7.57%)

Note no. 24 Related Party Disclosures

Related party disclosures as required under Accounting Standard (AS) – 18 "Related Party Disclosures"

a)	**Related parties and nature of related party relationships where control exists**	
	Name of the party	**Description of relationship**
	Sunil Kumar Jain	Key Management Personnel
	Utkarsh Jain	Key Managerial Personnel
b)	**Related parties and nature of related party relationship with whom transactions have been taken place**	
	Shreyans Buildtech Private Limited	Enterprises over which Key Managerial Personnel are able to exercise significant Influence
	Shreyans Buildwell Private Limited	Enterprises over which Key Managerial Personnel are able to exercise significant Influence
	Sunil Kumar Jain	Key Managerial Personnel
	Utkarsh Jain	Key Managerial Personnel
	Reena Gupta	Director
	Vanya Jain	Relatives of Key Managerial Personnel
	Sunil Kumar Jain & Sons (HUF)	Others
	Shyam Lal Yadav	Key Managerial Personnel (CFO)
	Mamta Bisht	Key Managerial Personnel (CS)

Transactions with related parties **(Amount Rs. in lakhs)**

Particulars	Period	Key Managerial Personnel/Director		Key Managerial Personnel (CFO/CS)		Relatives of Key Managerial Personnel		Enterprises over which Key Managerial Personnel are able to exercise significant influence		Others	
		Amount (Rs.)	Percent* (%)	Amount (Rs.)	Percent* (%)	Amount (Rs.)	Percent* (%)	Amount (Rs.)	Percent* (%)	Amount (Rs.)	Percent* (%)
Rent Paid (Rs.)	31.12.2022	61.65	0.27%	-	-	7.20	0.03%	6.75	0.03%	-	-
	31.03.2022	82.2	0.33%			9.6	0.04%	12.99	0.05%		
	31.03.2021	83.10	0.33%			9.6	0.04%	14.29	0.06%	2.16	0.01%
Remuneration (Rs.)	31.12.2022	45.75	0.20%	39.38	0.17%	-	-	-	-	-	-
	31.03.2022	61.00	0.24%	48.91	0.20%						
	31.03.2021	61.00	0.24%	44.02	0.18%						
Loan Received (Rs.)	31.12.2022	410.50	1.76%	-	-	-	-	-	-	-	-
	31.03.2022	498	1.99%								
	31.03.2021	2053.00	8.20%								
Loan Repaid (Rs.)	31.12.2022	387.30	1.67%	-	-	-	-	-	-	-	-
	31.03.2022	338.32	1.35%								
	31.03.2021	175.25	0.70%								
Personal/Corporate Guarantees obtained to the extent of loan taken by the Company (Rs.)	31.12.2022	Yes		-		Yes		Yes		-	
	31.03.2022										
	31.03.2021										
Rent Payable (Rs.)	31.12.2022	-	-	-	-	-	-	-	-	-	-
	31.03.2022	93.32	0.37%			13.40	0.05%	16.6	0.07%	-	-
	31.03.2021	79.41	0.32%			5.81	0.02%	53.35	0.21%	18.93	0.08%
Remuneration Payable (Rs.)	31.12.2022	-	-	-	-	-	-	-	-	-	-
	31.03.2022	11.41	0.05%	3.88	0.02%						
	31.03.2021	4.13	0.02%	3.07	0.01%						
Unsecured loan (Rs.)	31.12.2022	-	-	-	-	-	-	-	-	-	-
	31.03.2022	2340.43	9.35%								
	31.03.2021	2180.75	8.71%								
Security Deposit (Rs.)	31.12.2022	-	-	-	-	-	-	-	-	-	-
	31.03.2022					27	0.11%				
	31.03.2021					27	0.11%				

** Calculated as a percentage of Revenue for respective years.*

Note no. 25

The Company has paid fixed monthly remuneration to the directors in accordance with the provisions of section 196, 197, 203 and other applicable provisions of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with the Schedule V of the Companies Act 2013.

Note no. 26

Contingent Liability not provided for Quarter and Nine Months ended 31st December, 2022:

a) In Respect of Bank Guarantees issued by the bank on behalf of the company Rs.143.72 Lakhs.
b) For claims/shortage not ascertained nor settled during the year. Claims lodged by customers but not settled by the company Rs.4.61 Lakhs
c) Approximate Liability on account of major cases filed against the company in various courts aggregating to Rs.66.13 Lakhs

Note no. 27

Sundry Debtors include freight receivable against GRs issued during the year.

Note no. 28

Tax Deducted at Source (A.Y. 2023-2024) is not final as more TDS Certificates might be received by the company in future.

Note no. 29

There is nothing to be disclosed under AS 17 – Segment Reporting since there is no business segment or geographical segment which is a reportable segment based on the definitions contained in the accounting standard.

Note no. 30

Deferred Tax has been created as per AS-22 issued by Institute of Chartered Accountants of India.

(Amount In Lakhs)

Particulars	Deferred Tax Asset/ (Liability) as at 31.12.22	Deferred Tax Credit/ (Charge) for the year	Deferred Tax Asset/ (Liability) as at 31.03.22	Deferred Tax Credit/ (Charge) for the year	Deferred Tax Assets/ (Liability) as at 01.04.2021	Deferred Tax Credit/ (Charge) for the year	Deferred Tax Assets/ (Liability) as at 01.04.2020	Deferred Tax Credit/ (Charge) for the year	Deferred Tax Assets/ (Liability) as at 01.04.2019
On account of difference between book & tax dep.	31.78	17.37	14.41	(30.35)	(15.94)	21.84	(37.79)	41.70	(79.49)
On account of provision of gratuity	89.34	(6.14)	95.48	(2.19)	93.28	(8.94)	102.23	(31.67)	133.90
Total	**121.12**	**11.23**	**109.89**	**(32.55)**	**77.34**	**12.90**	**64.44**	**10.03**	**54.41**

Note no. 31

The debit and credit balances standing in the name of parties are subject to confirmation from them.

Note no. 32

In the opinion of the Board of Directors, the current assets, loans & advances are fully realizable at the value stated, if realized in the ordinary course of business. The provisions for all known liabilities are adequate in the opinion of board.

Note no. 33 Employee Benefits

A. Defined Contribution Plan

The Company has contributed to Employee Provident Fund, under defined contribution plans. The provident fund is operated by the Regional Provident Fund Commissioner.

During the year the company has recognized the following amounts in the Statement of Profit & Loss:

(Amount In Lakhs)

Particulars	December 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Employer's Contribution to Provident Fund	53.85	56.44	39.59	60.87

B. Defined Benefit Plan

The present value obligation in respect of gratuity is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The summarized positions of various defined benefits are as under:-

1. Actuarial Assumptions

Particulars	Gratuity (unfunded) December 31, 2022	Gratuity (unfunded) March 31, 2022	Gratuity (unfunded) March 31, 2021	Gratuity (unfunded) March 31, 2020
Discount Rate (per annum)	7.36%	6.2%	6.1%	6.2%
Salary Escalation	8.0%	8.0%	8.0%	8.0%
Attrition rate	-	15.0%	15.0%	15.0%

Particulars	Gratuity (unfunded) December 31, 2022	Gratuity (unfunded) March 31, 2022	Gratuity (unfunded) March 31, 2021	Gratuity (unfunded) March 31, 2020
Mortality Rates	100% of India Assured Lives 2012-14 Ultimate	100% of India Assured Lives 2012-14 Ultimate	100% of India Assured Lives 2012-14 Ultimate	100% of India Assured Lives 2012-14 Ultimate

Note: Discount rate should be based on the yield to maturity on high quality corporate bonds having term similar to that of the liability.

2. Present Value of Obligation

(Amount in Lakhs)

Particulars	Gratuity(unfunded) December 31,2022	Gratuity(unfunded) March 31,2022	Gratuity(unfunded) March 31,2021	Gratuity(unfunded) March 31,2020
Net defined benefit liability	354.99	379.37	370.65	406.18

3. Expenses recognized in Statement of profit & Loss

(Amount in Lakhs)

Particulars	Gratuity(unfunded) December 31,2022	Gratuity(unfunded) March 31,2022	Gratuity(unfunded) March 31,2021	Gratuity(unfunded) March 31,2020
Expense recognized in Profit & Loss	28.85	42.41	24.69	45.69

Note no. 34 Shareholding of Promoters:-

Details of shares held by promoters as on December 31, 2022

S. No.	Promoter's Name	No. of shares	%of total shares	%change during the year
1.	Mrs. Vanya Jain	50,19,565	10.00	No
2.	Mr. Utkarsh Jain	37,98,114	7.57	No
3.	NECC Securities Private Limited	76,56,880	15.25	No
4.	NECC Automobiles Private Limited	83,34,152	16.60	No
5.	Suvi Developers Private Limited	16,31,400	3.25	No

Details of shares held by promoters as on March 31, 2022

S. No.	Promoter's Name	No. of shares	% of total shares	%change during the year
1.	Mrs. Vanya Jain	50,19,565	10.00	No
2.	Mr. Utkarsh Jain	37,98,114	7.57	No
3.	NECC Securities Private Limited	76,56,880	15.25	No
4.	NECC Automobiles Private Limited	83,34,152	16.60	No
5.	Suvi Developers Private Limited	36,31,400	7.23	Yes, the Company has sold 20,00,000 shares on 23.08.2021 & 24.08.2021 representing 3.98% change in shareholding

Note no. 35 Ageing of Trade Payable (Creditors) (Amount in Rs. Lakhs)

As on 31.12.2022

Particulars	Amount of Trade Payable outstanding from due date of payment				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Undisputed Dues-MSME	-	-	-	-	-
undisputed Dues-Others	724.44	7.63	9.74	1.84	761.65
Disputed dues -MSME	-	-	-	-	-
Disputed dues -Others	-	-	-	-	-

As on 31.03.2022

Particulars	Amount of Trade Payable outstanding from due date of payment				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Undisputed Dues-MSME	-	-	-	-	-
Undisputed Dues-Others	219.22	76.03	53.63	3.68	352.56

Disputed dues -MSME	-	-	-	-	-
Disputed dues -Others	-	-	-	-	-

Ason31.03.2021

Particulars	Amount of Trade Payable outstanding from due date of payment				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Undisputed Dues - MSME	-	-	-	-	-
Undisputed Dues -Others	198.35	73.28	126.78	-	398.41
Disputed dues -MSME	-	-	-	-	-
Disputed dues -Others	-	-	-	-	-

Note no. 36 Ageing of Trade Receivable (Debtors) (Amount in Rs. Lakhs)

As on 31.12.2022

Particulars	Amount of Trade Receivable outstanding from due date of payment					
	Less than 6Months	6Months to 1Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade receivables - Considered Good	10,012.60	123.53	16.06	10.07	422.24	**10,584.50**
Undisputed Trade receivables - Considered Doubtful	-	-	-	-	-	-
Disputed Trade receivables - Considered Good	-	-	-	-	-	-
Disputed Trade receivables – Considered Doubtful	-	-	-	-	-	-

As on 31.03.2022

Particulars	Amount of Trade Receivable outstanding from due date of payment					
	Less than 6Months	6Months to 1Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade receivables - Considered Good	9,624.56	319.87	48.18	33.75	559.62	**10,585.98**
Undisputed Trade receivables - Considered Doubtful	-	-	-	-	-	-
Disputed Trade receivables - Considered Good	-	-	-	-	-	-
Disputed Trade receivables – Considered Doubtful	-	-	-	-	-	-

As on 31.03.2021

Particulars	Amount of Trade Receivable outstanding from due date of payment					
	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade receivables – Considered Good	9,452.13	272.33	74.31	25.21	609.44	**10,433.43**
Undisputed Trade receivables - Considered Doubtful	-	-	-	-	-	-
Disputed Trade receivables - Considered Good	-	-	-	-	-	-
Disputed Trade receivables - Considered Doubtful	-	-	-	-	-	-

Note no. 37 Title Deeds of immovable Property:

All title deeds of immovable properties are held in the name of the Company.

Note no. 38 Revaluation of Property, Plant and Equipment:

During the financial year, the Company has not re-valued any of its Property, Plant & Equipment.

Note no. 39 Disclosure of loans/advances given to Directors/KMP/Related parties:-

Disclosure w.r.t loans and advances which are:-

a) repayable on demand or
b) without specifying any terms or period of repayment are as follows:

(Amount in Rs. Lakhs)

Type of Borrower	As on 31.12.2022		As on 31.03.2022		As on 31.03.2021	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoters	-	-	-	-	-	-
Directors	-	-	-	-	-	-
KMPs	**17.09**	-	**17.45**	-	**17.80**	-
Related Parties	-	-	-	-	-	-

Note no. 40 Capital-Work In Progress:

There is no capital work in progress for tangible or intangible assets.

Note no. 41 Benami Properties:

No proceedings has been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988.

Note no. 42 Borrowings from Banks/FI on the basis of security of Current Assets:

The Company confirms that Quarterly Returns or Statements of Current Assets filed by the Company with Banks/FI, are in agreement with books of accounts.

Note no. 43

The company has not been declared as willful defaulter by any bank of financial institution or any other lender.

Note no. 44 Transactions with Struck-off Companies:

The company has not entered into any transactions with struck off companies under section 248 of the Companies Act 2013 or Section 560 of Companies Act 1956.

Note no.45 Registration of Charges or Satisfaction:

The company has following old charges for which satisfaction needs to file and the company will file the charge satisfaction at the earliest.

Charge ID	Charge holder Name	Amount in Rs. Lakhs
10019423	Kotak Mahindra Bank Ltd	11.90
10019737	Kotak Mahindra Bank Ltd	171.13

Note no. 46 Compliance with layers of the companies:-

The company has complied with the number of layers prescribed under Clause (87) of the Act read with Companies (Restriction on number of Layers) Rules 2017.

Note no. 47 Scheme or Arrangement:

During the year, the company has not entered into any scheme or arrangement in terms of Section 230 to 237 of the Companies Act 2013

Note no. 48 Utilization of borrowed funds and share premium:

During the year, the Company has not loaned or invested, borrowed funds or other funds with the understanding (written or otherwise), that the intermediary shall, directly or indirectly, lend or invest in other entities or the intermediary shall provide security/guarantee for the benefit of entities identified by the Company.

Note no. 49 Use of Borrowed Funds:

The Company has used the borrowings from banks and Financial Institutions for the specific purpose for which it was taken.

Note no. 50

In the opinion of the Board, all current assets have a value on realization in the ordinary course of business which is equal to the amount at which they are stated in financial statements.

Note no. 51

Being a service company quantitative information/clause are not applicable.

Note no. 52

(Amount in Rs. Lakhs)

Payment to Auditors	31.12.2022	31.03.2022	31.03.21	31.03.2020
Audit Fee	3.00	4.00	3.00	3.00

Note no. 53

Previous year figures have been regrouped/ reclassified wherever necessary.

Note no. 54 Borrowings (All amounts in Rupees Lakhs, unless otherwise stated)

Note no. 54A

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings: Non-Current*		
Secured		
From Banks	208.53	159.38
From Others	74.6	-
	283.13	**159.38**

Particulars	Rate of Interest (p.a)	Maturity	Terms of Repayment	Nature of Security	As at March 31, 2022	As at March 31, 2021
Secured borrowings						
CAR LOAN - AXIS BANK LTD.	9.20%	10.06.222	Axis Bank Loan has sanctioned vehicle Loan of Rs. 67 lacs for vehicle purchased in 2019 and is repayable in 36 Monthly instalments starts from July 2019	Security: by way of hypothecation of Vehicle in favour of Axis Bank Ltd.	-	5.95
CAR LOAN - BMW FINANCIAL SERVICES LIMITED	9.25%	01.04.2025	BMW Financial Services has sanctioned vehicle Loan of Rs. 1 Crore for vehicle purchased in 2021 and is repayable in 48 Monthly instalments starts from May-2021	Security: by way of hypothecation of Vehicle in favour of BMW Financial Services Ltd.	74.6	-

CAR LOAN - ICICI BANK LTD.	9.75%	01.04.2022	ICICI Bank Ltd. has sanctioned vehicle Loan of Rs. 7Lakhs for vehicle purchased in 2021 and is repayable in 36 Monthly instalments starts from May 2019	Security : by way of hypothecation of Vehicle in favour of ICICI BANK LTD. Services Ltd.	-	0.22
Truck Loan-HDFC BANK LTD.-260896	6.76%	01.02.2025	HDFC Bank Ltd. has sanctioned vehicle Loan of Rs.86.92 Lakhs for vehicles purchased in 2022 and is repayable in 37 Monthly instalments starts from Feb 2022	Security: by way of hypothecation of Vehicle in favour of HDFC BANK LTD. Services Ltd.	31.3	-
Truck Loan - HDFC BANK LTD.-272775	7.25%	10.05.2024	HDFC Bank Ltd. has sanctioned vehicle Loan of Rs.86.65 Lakhs for vehicles purchased in 2022 and is repayable in 37 Monthly instalments	Security: by way of hypothecation of Vehicle in favour of HDFC BANK LTD. Services Ltd.	32.73	-
Truck Loan - HDFC BANK LTD.-354600	9.52%	10.12.2023	HDFC Bank Ltd. has sanctioned vehicle Loan of Rs.108.00 Crore for vehicles purchased in 2021 and is repayable in 35 Monthly instalments starts from Feb 2021	Security: by way of hypothecation of Vehicle in favour of HDFC BANK LTD. Services Ltd.	42.55	60.04
Truck Loan - HDFC BANK LTD.-902920	9.51%	05.10.2022	HDFC Bank Ltd. has sanctioned vehicle Loan of Rs.275.05 Crore for vehicles purchased in 2019 and is repayable in 35 Monthly instalments starts from Dec 2019	Security: by way of hypothecation of Vehicle in favour of HDFC BANK LTD. Services Ltd.	71.6	69.58
Truck Loan - HDFC BANK LTD.-1009425	9.10%	01.04.2022	HDFC Bank Ltd. has sanctioned vehicle Loan of Rs.316.95 Crore for vehicles purchased in 2019 and is repayable in 35 Monthly instalments starts from May-2019	Security: by way of hypothecation of Vehicle in favour of HDFC BANK LTD. Services Ltd.	30.35	23.59
Total Secured Borrowings					**283.13**	**159.38**

Note-54B

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings: Current		
Secured		
From Banks	7,151.86	6,276.67
From Others	18.30	-
Unsecured		
From Directors	2,340.43	2,180.75
From Corporate	300.00	-
	9,810.59	**8,457.42**

Particulars	Rate of Interest (p.a)	Maturity	Terms of Repayment	Nature of Security	As at March 31, 2022	As at March 31, 2021
Secured Borrowings						

Particulars	Rate of Interest (p.a)	Maturity	Terms of Repayment	Nature of Security	As at March 31, 2022	As at March 31, 2021
DBS Bank CC Limit	7.65%		Mutual Agreement	**Primary Security:** - 1. First pari-passu charge on entire current assets of the borrower both present and future. 2. Pari passu charge on movable fixed assets of the borrower both present and future (other than exclusively charges to other lenders). **Collateral Security:-** 1) Exclusive charge on commercial property at DAG No 332, 334 patta No-32,22, 24, Vill-khanapara, Mouza - Beltola, Dist Kamrup, Assam-781022. 2) Exclusive charge on S.G. Narayana Layout, Doddaby likhane, Division No 43, Ward No. 48, Chamarajpet Range, Bangalore. 3) Exclusive charge on Commercial property at Guwahati -DAG No 1, Special KP Patta-1, Vill-fatasil NC, Mouza-Jalukbari, Dist. Kamrup, Assam-781013. 4) Excusive charge on Shop No. 38, New Qutab road, New Delhi. 5) Exclusive charges on Commercial property at plot No. 21, Block-A, Shyam Enclave, Loni Ghaziabad owned by propmoter Mr. Sunil Kumar Jain. 6) Negative Lien on Commercial	128.19	128.06
	7.65%		Maximum upto 90 Days		2,350.00	2,350.00

Particulars	Rate of Interest (p.a)	Maturity	Terms of Repayment	Nature of Security	As at March 31, 2022	As at March 31, 2021
				property at Guwahati - DAG No. 1, Special KP Patta - 1, Vill-Fatasil NC, Mouza-Jalukbari, Dist - Kamrup, Guwahati, Assam – 781013		
KOTAK Mahindra Ltd. CC Limit	7.85%		Mutual Agreement	**Primary Security: -** 1. First pari-passu charge on entire current assets of the borrower both present and future with DBS Bank Ltd. **Collateral Security: -** 1. First and exclusive charges on Commercial property-9062/XII (part), Ram Bagh Road, Azad market, Delhi-110055 owned by Shreyans Buildwell P. Ltd. 2. First and exclusive charges on residential property bearing C-3/15, Ashok Vihar, Phase-II, Delhi-110052 owned by Sh. Sunil Kumar Jain and Smt. Vanya Jain	3,590.02	2,845.88
KOTAK Mahindra Ltd. - DLOD-I	7.85%		Mutual Agreement		233.6	284.6
KOTAK Mahindra Ltd. - DLOD-II	7.85%		Mutual Agreement		233.6	284.6
KOTAK Mahindra Ltd. - CCL	7.75%	05.06.2026	CCL EMERGENCY LOAN		500.00	-
KOTAK Mahindra Ltd. - CC Limit Branches	7.85%		Mutual Agreement		0.70	-
CAR LOAN-AXIS BANK LTD.	9.20%	10.06.2022	Axis Bank Loan has sanctioned vehicle Loan of Rs. 67 lacs for vehicle purchased in 2019 and is repayable in 36 Monthly instalments start from July 2019	Security: by way of hypothecation of Vehicle in favour of Axis Bank Ltd.	5.95	23.93
CAR LOAN-BMW FINANCIAL SERVICES LIMITED	9.25%	01.04.2025	BMW Financial Services has sanctioned vehicle Loan of Rs. 1 Crore for vehicle purchased in 2021 and is repayable in 48	Security: by way of hypothecation of Vehicle in favour of BMW Financial Services Ltd.	18.30	-

Particulars	Rate of Interest (p.a)	Maturity	Terms of Repayment	Nature of Security	As at March 31, 2022	As at March 31, 2021
			Monthly instalments start from May-2021			
CAR LOAN-ICICI BANK LTD.	9.75%	01.04.2022	ICICI Bank Ltd. has sanctioned vehicle Loan of Rs 7Lakhs for vehicle purchased in 2021 and is repayable in 36 Monthly instalments starts from May 2019	Security: by way of hypothecation of Vehicle in favour of ICICI BANK LTD. Services Ltd.	0.22	2.54
Truck Loan-HDFC BANK LTD.-260896	6.76%	01..02.2025	HDFC Bank Ltd. has sanctioned vehicle Loan of Rs.86.92Lakhs for vehicles purchased in 2022 and is repayable in 37 Monthly instalments starts from Feb 2022	Security: by way of hypothecation of Vehicle in favour of HDFC BANK LTD. Services Ltd.	51.36	-
Truck Loan-HDFC BANK LTD.-272775	7.25%	10.05.2024	HDFC Bank Ltd. has sanctioned vehicle Loan of Rs.86.65 Lakhs for vehicles purchased in 2022 and is repayable in 37 Monthly instalment starts from May 2022	Security: by way of hypothecation of Vehicle in favour of HDFC BANK LTD. Services Ltd.	32.42	-
Truck Loan-HDFC BANK LTD.-354600	9.52%	10.12.2023	HDFC Bank Ltd. has sanctioned vehicle Loan of Rs.108.00 Crore for vehicles purchased in 2021 and is repayable in 35 Monthly instalments starts from Feb 2021	Security: by way of hypothecation of Vehicle in favour of HDFC BANK LTD. Services Ltd.	25.8	42.55
Truck Loan-HDFC BANK LTD.-902920	9.51%	05.10.2022	HDFC Bank Ltd. has sanctioned	Security: by way of hypothecation of Vehicle in favour of	-	108.55

Particulars	Rate of Interest (p.a)	Maturity	Terms of Repayment	Nature of Security	As at March 31, 2022	As at March 31, 2021
			vehicle Loan of Rs.275.05 Crore for vehicles purchased in 2019 and is repayable in 35 Monthly instalments starts from Dec 2019	HDFC BANK LTD. Services Ltd.		
Truck Loan-HDFC BANK LTD.-1009425	9.10%	01.04.2022	HDFC Bank Ltd. has sanctioned vehicle Loan of Rs.316.95 Crore for vehicles purchased in 2019 and is repayable in 35 Monthly instalments starts from May- 2019	Security: by way of hypothecation of Vehicle in favour of HDFC BANK LTD. Services Ltd.	-	126.25
Truck Loan-HDFC BANK LTD.-206285	8.61%	01.03.2021	HDFC Bank Ltd. has sanctioned vehicle Loan of Rs.63.65 Lakhs for vehicles purchased in 2018 and is repayable in 35 Monthly instalment starts from March 2018	Closed as on 31.03.2022	-	4.12
Truck Loan-HDFC BANK LTD.-915070	8.91%	30.09.2021	HDFC Bank Ltd. has sanctioned vehicle Loan of Rs.281.15 Crore for vehicles purchased in 2018 and is repayable in 35 Monthly instalment starts from Sept- 2018	Closed as on 31.03.2022	-	75.59
Unsecured Borrowings						
Loan from related parties	Interest Free		All the loan have been taken from the directors and are repayable on the terms as mutually decided between	Unsecured borrowings	2,340.43	2,180.75

Particulars	Rate of Interest (p.a)	Maturity	Terms of Repayment	Nature of Security	As at March 31, 2022	As at March 31, 2021
			the parties.			
Corporate Loan	Interest Free		Loan has been taken from Dhankalash Distributors Private Limited and are repayable on the terms as mutually decided between the parties.	Unsecured borrowings	300.00	-
Total current borrowings					**9,810.59**	**8,457.42**

Note No. 55: Ratio Analysis (31 December, 2022)

(Amounts in Rs. Lakhs)

Sr. No.	Particulars	Formula	Period April to December 2022	Financial Year 2021-22	Financial Year 2020-21	% Variance		Remarks	
						Dec 22	March 22	Dec 22	March 22
1	Current Ratio	Current Assets / Current Liability	1.72	1.77	1.79	(2.99)	(0.94)	There is no significant variation in the current ratio as compared to preceding year.	There is no significant variation in the current ratio as compared to preceding year.
2	Debt-to-Equity Ratio	Debts (Long Term and Short Term) / Equity Shareholder Fund	1.08	1.02	0.91	6.08	12.15	There is no significant variation in the current ratio as compared to preceding year.	During FY 2021-2022, the debt of the Company in comparison with Equity has increased as compared to preceding year. The borrowings have increased as the Company had to fund higher working capital and higher amounts for vehicles requirements. Significantly, the profitability of the Company has increased despite higher debt as compared to last year.
3	Debt Service Coverage Ratio	EBIDT / Interest+ Principal	0.86	0.74	0.66	15.87	12.69	There is no significant variation in the current ratio as compared to preceding year.	There is no significant variation in the ratio as compared to preceding year.
4	Return on Equity Ratio	Net Income/ Shareholder's Equity	0.05	0.04	0.02	13.22	182.22	There is no significant variation in the current ratio as compared to preceding year.	The ratio has improved as compared to preceding year. The profitability of the Company has improved during FY 2021-2022 as compared to FY 2020 - 2021 which was impacted due to Covid-19.
5	Inventory Turnover Ratio	Cost of Goods Sold / Avg Inventory	NA	NA	NA	-	-	NA	NA

Sr. No.	Particulars	Formula	Period April to December 2022	Financial Year 2021-22	Financial Year 2020-21	% Variance		Remarks	
						Dec 22	March 22	Dec 22	March 22
6	Receivables turnover	Sales / Trade Receivable	2.20	2.37	2.21	(7.10)	7.04	There is no significant variation in the current ratio as compared to preceding year.	There is no significant variation in the ratio as compared to preceding year.
7	Trade Payable/ Turnover Ratio	Sales / Trade Payable	30.54	71.03	57.88	(57.01)	22.73	The variance has been caused because the FY 2021-22 numbers pertain to full year and are being compared with six months numbers for the period April 2022 to September 2022	The ratio has improved as compared to preceding year.
8	Net Capital Turnover Ratio	Sales/ Average Working Capital	0.64	0.75	0.74	(15.05)	1.49	There is no significant variation in the current ratio as compared to preceding year.	There is no significant variation in the ratio as compared to preceding year.
9	Net Profit Margin Ratio	Net Income / Net Sales	2.16	1.68	0.62	28.08	171.42	There is no significant variation in the current ratio as compared to preceding year.	The ratio has improved as compared to preceding year. The performance and profitability of the Company has improved during FY 2021-2022 as compared to FY 2020-2021 which was impacted due to Covid-19.
10	Return on Capital Employed	EBIT/ Total Assets - Current Liabilities	0.12	0.11	0.08	2.69	34.99	There is no significant variation in the current ratio as compared to preceding year.	The ratio has improved as compared to preceding year. The profitability of the Company has improved during FY 2021-2022 as compared to FY 2020 - 2021 which was impacted due to Covid-19.
11	Return on Investment	EBIT/ Average Operating Assets	1.41	1.45	1.05	(3.26)	38.99	There is no significant variation in the current ratio as compared to preceding year.	The ratio has improved as compared to preceding year. The profitability of the Company has improved during FY 2021-2022 as compared to FY 2020 - 2021 which was impacted due to Covid-19.

Note no. 55 A Financial instruments

(i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are classified into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs, not based on observable market data, the instrument is included in level 3.

(ii) Fair value of instruments measured at amortized cost

Fair value of instruments measured at amortized cost for which fair value is disclosed is as follows:

(Amount in Rs. Lakhs)

Particulars	Level	December 31, 2022		March 31, 2022		March 31, 2021	
		Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets							
Loans	Level 3	9,759.79	9,759.79	9,030.33	9,030.33	7,192.60	7,192.60
Trade receivable	Level 3	10,584.50	10,584.50	10,585.98	10,585.98	10,433.43	10,433.43
Cash and cash equivalents	Level 3	986.59	986.59	766.48	766.48	553.04	553.04
Total financial assets		**21,330.88**	**21,330.88**	**20,382.79**	**20,382.79**	**18,179.07**	**18,179.07**
Financial liabilities							
Borrowings	Level 3	11,250.14	11,250.14	10,093.72	10,093.72	8,616.80	8,616.80
Trade payables	Level 3	761.65	761.65	352.56	352.56	398.41	398.41
Other financial liabilities	Level 3	1,677.94	1,677.94	1,447.02	1,447.02	1,151.91	1,151.91
Total financial liabilities		**13,689.74**	**13,689.74**	**11,893.30**	**11,893.30**	**10,167.12**	**10,167.12**

The management assessed that cash and cash equivalents, trade receivables, other receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Other non-current financial assets and non-current borrowings bear a market interest rate and hence their carrying amounts are also considered a reasonable approximation of their fair values.

(iii) Financial instruments by category

(Amount in Rs. Lakhs)

Particulars	December 31, 2022			March 31, 2022			March 31, 2021		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Assets									
Investments	-	-	-	-	-	-	-	-	-
Loan – Security Deposits	-	-	280.66	-	-	281.06	-	-	291.68
Loan – Employees	-	-	371.45	-	-	354.79	-	-	314.25
Loan - other	-	-	9,107.69	-	-	8,394.48	-	-	6,586.66
Other Financial Assets	-	-	-	-	-	-	-	-	-
Trade Receivables	-	-	10,584.50	-	-	10,585.98	-	-	10,433.43
Cash and Cash equivalents	-	-	986.59	-	-	766.48	-	-	553.04
Total	-	-	**21,330.88**	-	-	**20,382.79**	-		**18,179.07**
Financial Liabilities									
Borrowings	-	-	11,250.14	-	-	10,093.72	-	-	8,616.80
Trade Payable	-	-	761.65	-	-	352.56	-	-	398.41
Other Financial liabilities	-	-	1,677.94	-	-	1447.02	-	-	1,151.91
Total	-	-	**13,689.74**	-	-	**11,893.30**	-	-	**10,167.12**

Note No. 55 B: Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the company. The company is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, etc. The company's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets.
- cash and cash equivalents,
- trade receivables,
- loans & receivables carried at amortized cost, and
- deposits with banks

Credit risk management

Credit risk rating
The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the company, and incorporates this information into its credit risk controls. Internal credit rating is performed for, each. Class of financial instruments with different
A: Low
B: Medium
C: High

Assets under Credit risk

(Amount in Rs. Lakhs)

Credit rating	Particulars	December 31, 2022	March 31, 2022	March 31, 2021
Low	Loans	9,759.79	9,030.33	7,192.60
	Cash and Cash Equivalents	986.59	766.48	553.04
	Trade Receivables	10,584.50	10,585.98	10,433.43

Cash & cash equivalents and bank deposits
Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

Trade receivables

Company's trade receivables are considered of high quality and accordingly no lifetime expected credit losses are recognised on such receivables.

Other financial assets measured at amortized cost.
Other financial assets measured at amortized cost includes advances to employees. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity "ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of Financial Liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(Amount in Rs. Lakhs)

31 December, 2022	Less than 1 year	1-5 year	More than 5 years	Total
Borrowings	8,074.53	311.98	2,863.63	11,250.14
Trade payable	761.65	-	-	761.65
Other Financial Liabilities	1,445.07	232.87	-	1,677.94
Total	**10,281.25**	**544.85**	**2,863.63**	**13,689.73**

(Amount in Rs. Lakhs)

31March, 2022	Less than 1 year	1-5 year	More than 5 years	Total
Borrowings	7,170.16	283.13	2,640.43	10,093.72
Trade payable	219.22	133.34	-	352.56
Other Financial Liabilities	1,190.53	256.49	-	1,447.02
Total	**8,579.91**	**672.96**	**2640.43**	**11,893.29**

(Amount in Rs. Lakhs)

31March, 2021	Less than 1 year	1-5 year	More than 5 years	Total
Borrowings	6,276.67	159.38	2,180.75	8,616.80
Trade payable	198.35	200.06	-	398.41
Other Financial Liabilities	1,151.91	-	-	1,151.91
Total	**7,626.93**	**359.44**	**2,180.75**	**10,167.12**

C) Market Risk

a) Interest rate risk

The Company is not exposed to changes in market interest rates as all of the borrowings are at fixed rate of interest. Also the Company's fixed deposits are carried at amortized cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

b) Price Risk Exposure

The Company's exposure to price risk arises is nil.

Note No. 56 Segment Information

Company has operated only single segment namely Transport of goods by road hence no segment wise reporting is required.

As per our report of even date attached.

For Nemani Garg Agarwal & Co.
Firm Regn. No. 010192N
Chartered Accountants

Sd/-
Dinesh Chand Kaushik

Partner

M.No.: 505463
UDIN:- 23505463BGWJT8844

Place: New Delhi
Date: 09.03.2023

For and on behalf of board of
North Eastern Carrying Corporation Limited

Sd/-
Sunil Kumar Jain
Managing Director
DIN: 00010695

Sd/-
Utkarsh Jain
Director
DIN: 05271884

Sd/-
Mamta Bisht
Company Secretary
M. No. 30347

Sd/-
S. L. Yadav
CFO

ACCOUNTING RATIOS

The following tables present certain accounting and other ratios derived from the restated financial statement for the quarter and nine months ended December 31, 2022 and Audited Financial Information for the period Financial Years ending March 31, 2022 and March 31, 2021, and March 31, 2020. For further details please refer to the section titled ***'Financial Statements'*** beginning on page 77 of this Letter of Offer.

ACCOUNTING RATIOS

Particulars	Restated Financials for December 2022	Based on Audited Financial Statements for the Financial Year ending March 31,		
		2022	2021	2020
Basic earnings per Equity Share (Rs.)	Rs.0.97/-	Rs.0.85/-	Rs.0.28/-	Rs.1.27/-
Diluted earnings per Equity Share (Rs.)	Rs.0.97/-	Rs.0.85/-	Rs.0.28/-	Rs.1.27/-
Return on Net Worth (%)	4.69%	4.30%	1.51%	6.85%
Net Asset Value per Equity Share (Rs.)	Rs.20.71/-	Rs.19.70/-	Rs.18.87/-	Rs.18.58/-
EBITDA (Rs.)	Rs.1,473.51 Lakhs	Rs.1,545.07 Lakhs	Rs.1,114.00 Lakhs	Rs.1,870.75 Lakhs

The formula used in the computation of the above ratios are as follows:

Particular	Computation of Formulas
Basic earnings per Equity Share (Rs.)	(Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders after exceptional item, as applicable) / (Weighted Average number of Equity Shares);
Diluted earnings per Equity Share (Rs.)	(Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders after exceptional item, as applicable) / (Weighted Average number of Equity Shares (including convertible securities));
Return on Net Worth (%)	(Profit for the Year as per Statement of Profit and Loss attributable to Equity Shareholders (prior to other comprehensive income))/ (Net worth at the end of the year);
Net Asset Value per Equity Share (Rs.)	(Net Worth)/ (Number of Equity Shares outstanding for the year);
EBITDA (Rs.)	Profit for the year before finance costs, tax, depreciation, amortization and exceptional items as presented in the statement of profit and loss

Calculation of Return on Net Worth (%)

Particulars	Restated Financials for	Based on Audited Financial Statements for the Financial Year ending March 31,		
	December 2022	2022	2021	2020
Profit for the Year as per Statement of Profit and Loss attributable to Equity Shareholders (Rs.) (A)	Rs.487.61 Lakhs	Rs.425.75 Lakhs	Rs.143.01 Lakhs	Rs.638.95 Lakhs
Net worth at the end of the year (Rs.) (B)	Rs.10395.14 Lakhs	Rs.9893.61 Lakhs	Rs.9472.04 Lakhs	Rs.9329.03 Lakhs
Return on Net Worth (%) [(A)/(B)]	**4.69%**	**4.30%**	**1.51%**	**6.85%**

Calculation of Net asset value per Equity Share

Particulars	Restated Financials for	Based on Audited Financial Statements for the Financial Year ending March 31,		
	December 2022	2022	2021	2020
Net Worth (Rs.) (A)	Rs.10395.14 Lakhs	Rs.9,893.61 Lakhs	Rs.9,472.04 Lakhs	Rs.9,329.03 Lakhs
Number of issued, subscribed and fully paid-up Equity Shares outstanding as at the year ended (Numbers) (B)	5,01,97,336	5,01,97,336	5,01,97,336	5,01,97,336
Net Asset Value per Equity Share (Rs.) [(A)/(B)]	**Rs.20.71/-**	**Rs.19.71/-**	**Rs.18.87/-**	**Rs.18.58/-**

Calculation of Net Worth

Particulars	Restated Financials for	Based on Audited Financial Statements for the Financial Year ending March 31,		
	December 2022	2022	2021	2020
Equity Share capital (Rs.) (A)	Rs.5019.73 Lakhs	Rs.5019.73 Lakhs	Rs.5019.73 Lakhs	Rs.5019.73 Lakhs
Reserves and Surplus (Rs.) (B)	Rs.5375.40 Lakhs	Rs.4873.88 Lakhs	Rs.4452.31 Lakhs	Rs.4309.29 Lakhs
Net Worth (Rs.) [(A)+(B)]	**Rs.10,395.14 Lakhs**	**Rs.9,893.61Lakhs**	**Rs.9,472.03 Lakhs**	**Rs.9,329.02 Lakhs**

Calculation of EBITDA

Particulars	Restated Financials for	Based on Audited Financial Statements for the Financial Year ending March 31,		
	December 2022	2022	2021	2020
Net Profit/ (loss) after tax (Rs.) (A)	Rs.487.61 Lakhs	Rs.425.75 Lakhs	Rs.143.01 Lakhs	Rs.638.95 Lakhs
Income tax expenses (Rs.) (B)	Rs.217.94 Lakhs	Rs.142.90 Lakhs	Rs.(24.87Lakhs)	Rs.236.61 Lakhs
Finance Cost (Rs.) (C)	Rs.556.06 Lakhs	Rs.603.69 Lakhs	Rs. 685.60 Lakhs	Rs.684.62 Lakhs
Depreciation and amortization expense (Rs.) (D)	Rs.211.90 Lakhs	Rs.372.74 Lakhs	Rs. 310.26 Lakhs	Rs.310.57 Lakhs
EBITDA (Rs.) (A+B+C+D)	**Rs.1,473.51 Lakhs**	**Rs. 1,545.07Lakhs**	**Rs.1,114.00 Lakhs**	**Rs.1,870.75 Lakhs**

STOCK MARKET DATA FOR EQUITY SHARES OF OUR COMPANY

Our Company's Equity Shares are listed on BSE Limited and National Stock Exchange of India Limited; and the Rights Shares issued pursuant to this Issue will be listed on both the Stock Exchanges. For further details, please refer to the section titled ***'Terms of the Issue'*** on page 153 of this Letter of Offer.

Our Company shall receive an in-principle approval for listing of the Rights Shares on the Stock Exchanges to be issued pursuant to this Issue from BSE by letter dated Thursday, August 04, 2022 and NSE by letter dated Monday, July 25, 2022. Our Company shall also make applications to both the Stock Exchanges to obtain trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

For the purpose of this section, unless otherwise specified:

1. Year is a Financial Year;
2. Average price is the average of the daily closing prices of the Equity Shares for the year, or the month, as the case may be;
3. High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of the Equity Shares, as the case may be, for the year, or the month, as the case may be; and
4. In case of two days with the same high / low / closing price, the date with higher volume has been considered.

STOCK MARKET DATA OF THE EQUITY SHARES

The high, low and average prices recorded on the BSE, during the preceding 3 (Three) Financial Years and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

Financial Year	Date of High	High (Rs.)	Volume on date of High (Number of Equity Shares)	Date of Low	Low (Rs.)	Volume on date of low (Number of Equity Shares)	Average price for the year (Rs.)
2022-2023	Thursday, April 21, 2022	Rs.34.60/-	65,836	Monday, June 20, 2022	Rs.23.20/-	6,670	Rs.28.38/-
2021-2022	Thursday, March 24, 2022	Rs.36.00/-	2,21,860	Monday, April 19, 2021	Rs.7.77/-	5,021	Rs.17.74/-
2020-2021	Thursday, July 23, 2020	Rs.16.85/-	22,283	Friday, April 03,2020	Rs.3.69/-	10,884	Rs.9.02/-

Source: www.bseindia.com

The high, low and average prices recorded on the NSE, during the preceding 3 (Three) Financial Years and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

Financial Year	Date of High	High (Rs.)	Volume on date of High (Number of Equity Shares)	Date of Low	Low (Rs.)	Volume on date of low (Number of Equity Shares)	Average price for the year (Rs.)
2022-2023	Monday, April 25, 2022	Rs.34.70/-	7,73,280	Monday, June 20, 2022	Rs.23.20/-	67,875	Rs.28.52/-
2021-2022	Friday, March 25, 2022	Rs.36.05/-	23,30,227	Monday, April 19, 2021	Rs.7.80/-	34,072	Rs.17.68/-
2020-2021	Thursday, July 23, 2020	Rs.16.80/-	1,43,973	Wednesday, April 01, 2020	Rs.3.50/-	14,702	Rs.8.95/-

Source: www.nseindia.com

The high, low and average prices recorded on the BSE, during the last 6 (Six) months and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

Month	Date of High	High (Rs.)	Volume (Number of Equity Shares)	Date of Low	Low (Rs.)	Volume (Number of Equity Shares)	Total number of days of trading	Average volume of Equity Shares traded
November 2022	Friday, November 04, 2022	Rs. 27.75/-	21,374	Wednesday, November 16, 2022	Rs. 23.70/-	19,501	21	13,798
December 2022	Thursday, December 08, 2022	Rs. 29.50/-	13,369	Monday December 26, 2023	Rs. 22.40/-	14,670	22	15,548
January 2023	Friday January 06, 2023	Rs. 26.75/-	7,493	Monday January 30, 2023	Rs. 23.25/-	12,234	21	6,403
February 2023	Wednesday February 15, 2023	Rs. 26.30/-	4,826	Monday February 27, 2023	Rs. 19/-	1,01,606	20	18,130
March 2023	Tuesday March 23, 2023	Rs. 21.18/-	1,04,932	Thursday March 16, 2023	Rs. 14.30/-	5,296	21	64,725
April 2023	Tuesday April 25, 2023	Rs. 22.79/-	8,781	Friday April 21, 2023	Rs. 17.39/-	2,94,864	17	28,539

Source: www.bseindia.com

The high, low and average prices recorded on the NSE, during the last 6 (Six) months and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

Month	Date of High	High (Rs.)	Volume (Number of Equity Shares)	Date of Low	Low (Rs.)	Volume (Number of Equity Shares)	Total number of days of trading	Average volume of Equity Shares traded
November 2022	Friday, November 04, 2022	Rs. 28/-	1,76,905	Wednesday, November 16, 2022	Rs. 23.55/-	1,36,566	21	3,43,978
December 2022	Thursday, December 08, 2022	Rs. 28.65/-	2,79,885	Friday December 23, 2023	Rs. 22.55/-	530832	22	1,58,040
January 2023	Friday January 06, 2023	Rs. 26.90/-	2,52,821	Monday January 30, 2023	Rs. 23.30/-	1,88,166	21	1,77,651
February 2023	Friday February 10, 2023	Rs. 25.85/-	3,87,146	Tuesday February 28, 2023	Rs. 18.20/-	3,90,459	20	1,32,617
March 2023	Tuesday March 23, 2023	Rs. 21.30/-	15,53,459	Thursday March 16, 2023	Rs. 14.20/-	1,97,138	21	64,725
				Monday March 20, 2023	Rs. 14.20/-	4,80,683		5,00,947
April 2023	Monday April 24, 2023	Rs. 22.70/-	34,43,154	Monday April 03, 2023	Rs. 17.05/-	63,511	17	2,42,331
	Friday April 21, 2023	Rs. 22.70/-						

Source: www.nseindia.com

The high, low, and average prices recorded on the BSE, during the last 4 (Four) weeks and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

Week ended on	High Price (Rs.)	Date of High	Low Price (Rs.)	Date of Low	Average volume of Equity Shares traded
Thursday, April 06, 2023	Rs. 19.22/-	Thursday, April 06, 2023	Rs. 17.5/-	Monday, April 03, 2023	13,979
Thursday, April 13, 2023	Rs. 19.92/- Rs. 22.69/-	Monday, April 10, 2023	Rs. 18.31/-	Tuesday, April 11, 2023	10,341
Friday, April 21, 2023	Rs. 22.79/-	Friday, April 21, 2023	Rs. 17.39/-	Friday, April 21, 2023	65,119
Friday, April 28, 2023	Rs. 19.92/-	Tuesday, April 25, 2023	Rs. 19.90/-	Thursday, April 27, 2023	76,272

Source: www.bseindia.com

The high, low and average prices recorded on the NSE, during the last 4 (Four) weeks and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

Week ended on	High Price (Rs.)	Date of High	Low Price (Rs.)	Date of Low	Average volume of Equity Shares traded
Thursday, April 06, 2023	Rs. 19.15/-	Thursday, April 06, 2023	Rs. 17.05/-	Monday, April 03, 2023	93,186
	Rs. 19.15/-	Wednesday, April 05, 2023			
Thursday, April 13, 2023	Rs. 19.95/-	Monday, April 10, 2023	Rs. 18.30/-	Thursday, April 13, 2023	1,41,918
Friday, April 21, 2023	Rs. 22.70/-	Friday, April 21, 2023	Rs. 17.20/-	Friday, April 21, 2023	5,44,295
Friday, April 28, 2023	Rs. 22.70/-	Monday, April 24, 2023	Rs. 20.85/-	Wednesday, April 26, 2023	1,10,185

Source: www.nseindia.com

The Issue Price of Rs.18/- per Equity Share has been arrived at by our Company in consultation with the Lead Manager.

The following discussion is intended to convey our management's perspective on our financial condition and results of our operations. Our Financial Year commences on April 01 and ends on March 31 of the following year, so all references to a particular Financial Year or a Fiscal are to the 12 months ended March 31 of that year.

You should read the following discussion of our financial condition and results of operations together with our audited consolidated financial statements as of and for the Financial Year ending March 31, 2022 and March 31, 2021 included in this Letter of Offer. Our audited financial statements for the Financial Year ending March 31, 2022 and March 31, 2021 are prepared in accordance with Ind AS.

Unless otherwise stated, the financial information used in this chapter is derived from the Audited Financial Statement of our Company.

*This discussion may include certain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors or contingencies, including those described below and in the '**Forward-Looking Statements**' on page 15 of this Letter of Offer. Also see '**Risk Factors**' beginning on page 20 of this Letter of Offer, for a discussion of certain factors or contingencies that may affect our business, financial condition, or results of operations.*

Overview of Our Business

Headquartered in Delhi, North Eastern Carrying Corporation Limited (NECC) is a company engaged in logistics in India. Spanning over five decades of services, we have a network of 187 branches including franchises for handling transportation and supply chain solutions throughout India and Nepal. We are engaged in transportation of goods catering to various industries like FMCG, Steel, Construction, Infrastructure etc. We have a strong customer base and are relied by our clients for our qualitative, time oriented and damage free transportation services. We have an in-house preventive maintenance department wherein regular remedial measures are taken for our fleet, which mainly includes regular checking of tyre quality and servicing of key components of the trucks we operate. Further, our Company also maintains a proper stock of spare parts and components of vehicles to meet any exigency.

NECC was incorporated on December 05, 1984 by Late Sh. Jaswant Rai Jain as a part load service between Delhi and the difficult and most remote parts in the east and north east of India. It soon became a renowned name amongst the traders for safety of goods and prompt services. The company has always put forth the interest's of its clients and till date we have been trying to follow the same principles. The company's wings were further expanded after the joining of Mr. Sunil Kumar Jain in 1980 who took NECC's presence to pan India while starting new verticals and expanding the horizon of services offered to the vast set of clients. NECC has always been a preferred logistics partner for most of reputed organizations throughout India.

Over last decades we have transformed from a PTL player to a full-fledged logistics company, while gaining not just customers but also the reputation of being one of the most reliable transportation company and giving turnkey solutions for all logistics needs. Today, NECC family comprises of Hundreds of employees and associated vendors offering their services throughout India, Nepal & Bhutan.

Our Company is well established in the Indian transport Industry. Our unique consignment tracking system (NECC TRANSINFO) allows customers to track whereabouts of their consignment anytime anywhere online. We take pride in providing satisfactory service to a diverse clientele with total confidentiality, reliability and efficiency. We, being a premier cargo transportation and solution provider in India, have set a goal to provide seamless transit of material across national and international borders using multimode solutions for a speedier movement at the lowest cost.

We leverage our operational expertise, technology and a high-capacity network of transportation vehicles, to identify logistics problems and provided end-to-end supply chain solution from a unique perspective- "clients".

Since inception, NECC has been providing its clients with the flexibility, responsiveness and services they deserve, using our deep operating knowledge to create solutions as unique as per our client's needs. However, keeping in mind the changing demands and the global economic landscape, NECC has invested in people, new technologies and equipments that ensure that its clients achieve their desired goals.

Principal Factors affecting our Financial Condition and Results of Operations

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section '***Risk Factors***' on page 20 of this Letter of Offer. The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

1. **Continued impact of COVID-19**

As of the date of this Letter of Offer, COVID-19 continues to impact the global economy and accordingly, our business, financial condition and operations continue to be adversely affected. There can be no assurance that there will not be a continued occurrence or a recurrence of an outbreak of COVID-19, or another significant global outbreak of a severe communicable disease. While there have been progressive relaxations and calibrated easing of lockdown measures by the Government, we cannot predict if stricter lockdowns will not be re-introduced or extended in the future.

Due to the outbreak of COVID-19 globally and in India, we have made an initial assessment of impact on business and financial risks on account of COVID-19. The impact of the COVID-19 pandemic on future business operation of our Company may be different from that estimated considering the uncertainty in overall economic environment. We will continue to closely monitor any material changes to future economic conditions.

2. **Transportation Challenges**

Transportation by road is the primary mode of freight cargo transportation in India. Nearly 60% cargo moves by road. Owing to over-saturated rail networks and high rail tariffs, a mere 32% cargo moves by rail. Although majority of the supply chain moves by road, it is not without a fair amount of hiccups. Road transportation proves to be quite inefficient because of poor road infrastructure, multiple checkpoints, and congestion.

3. **Bulk Order Intensity Ratio**

Keeping up with bulk order timelines is a herculean task for transportation companies. Every Indian Transportation Company in the Logistic Sector has faced the exhausting issue of keeping up with the supply- chain timeline in the event of receiving bulk load of orders. In the instance of high volume of orders received, it often gets difficult to prioritize and juggle orders and deliveries on an extremely tight timeline. This challenge gets aggravated when the company has limited resources, owing to the difficult payment cycles. Festival time is the best example of mass delays in delivery schedules, when an overall failure of the ETA mechanism can be observed.

4. **Hike in Fuel Cost**

Fuel cost is one of the biggest challenges faced by the transportation companies in the Indian logistic sector. The inflation in fuel prices results in an increase of transportation costs to the shippers. Rise in fuel prices constantly increase the surcharges added to freight rates. This naturally cuts down the revenue and earnings of truckers, as fuel prices increase.

5. **Unforeseen Delays in Transportation**

The varied terrain and diverse travel and weather conditions in India, create an unreliability in the transportation industry, owing to the high probability of unforeseen conditions. Even when the packaging and drops are conducted on schedule, the transportation industry is often challenged by delays. Mainly because India is a huge country, covering different terrains, subject to different conditions. Also, roads are terrible in the remote, internal parts of the country and Ghats are prone to accidents and landslides.
Traffic congestions, multiple checkpoints, and toll stations add to the woes. This translates into the Logistics companies losing out on a lot of time and money. In a nutshell, even after taking into consideration extra delays, more unforeseen delays cannot be ruled out.

6. **Dearth of Skilled Personnel**

The Indian Logistics sector faces an alarming lack of skilled manpower and specialized personnel. With the advent of modern technology, there is a keen requirement for technically skilled labour. However, the labourers are under-skilled, over-worked and lack the desired skill-set to make the process efficient. Also, to save on capital, companies compromise on the training and payment of their logistics staff. Resultantly, these companies face the problem of high labour turnover, increased training costs and under-performing human resource.

7. **Pitiable Warehousing Conditions**

Another major challenge is storage. The unfortunate plight of pitiable warehousing facilities in India is no secret. Cargos incur immense damage owing to pest-infested warehouses, damage due to leakages, lack of proper storage space, and much more. This is most predominant in case of low margin goods and cargo. Also, the Governments use the big warehouses to store grains, leaving very little space for cargo storage.

8. Inadequate and Overstressed Delivery Staff

Overstressed delivery staff is a grave challenge faced by the supply chain of the Indian logistic sector. Every transportation company in India faces the problem of employing and retaining their delivery staff. The industry faces a shortage of delivery personnel, leading to the workloads of multiple time-bound deliveries being placed on the current workers. This obviously leads to them getting burnt out and discouraged with the pressure and with overwork.

9. High International Freight Rates

Logistics, as an industry continues to face major challenges like high (4-5X) international freight rates - making EXIM trade is still a cause of concern, shortage of containers, high prices of ships, driver shortages, fuel price increase and the resultant inflation in general. These challenges have led to an increase in the overall logistics cost, hence impacting demand substantially.

10. Transport industry is affected by numerous factors that are beyond our control.

Businesses operating in the transport industry are affected by numerous factors that are out of their control, including weather conditions, both as currently experienced and as might be experienced due to climate change, traffic conditions, road closures and construction-related and other delays. Further, time-consuming, and complex border crossing procedures cause significant journey time delays and poor journey time reliability on road movements. These events cause additional costs, both in terms of actual fees and charges for services provided, and because of time delays and unreliability in delivery. We cannot assure you that these factors and conditions will not delay our cargo deliveries and delivery of our packing and moving services, impact our ability to operate without disruption or otherwise have a material adverse effect on our business, financial condition, and results of operations. In addition, many local, state, and central transportation authority's levy tolls on vehicles for their use of highways and other roads. As the need for improvements to these highways and other roads arise, we expect that many of these tolls may be increased and that other transportation authorities will levy additional tolls and fees on vehicles for use of the roadways. We cannot assure you that we will be able to pass any portion these expenses on to our customers, and any failure to do so could have a material adverse effect on our business, financial condition, and results of operations.

11. Competition

We operate in a highly competitive industry. Many segments in which we operate have low barriers to entry, resulting in a highly fragmented market. Increased competition from unorganised third-party logistics or transport providers could force us to lower our prices, thereby reducing our profit margins or market share. We compete based on a number of factors, including the breadth of our services, network flexibility and stability, operational capabilities, infrastructure capacity, cost, pricing and service quality. If we cannot effectively control our costs and are required to increase our pricing in line with any cost increases, we could lose customers and our market share and revenue could decline. Our competitors may attempt to gain market share by lowering their rates, especially during economic slowdowns or in key regional markets. Such rate reductions may limit our ability to maintain or increase our rates and operating margins and impede our ability to grow our business. In addition, major e-commerce marketplaces may choose to build or further develop their respective in-house fulfilment capabilities to serve their logistics needs and compete with us, which may significantly affect our market share and total parcel volume. According to the Red Seer Report, commissioned and paid for by our Company and prepared exclusively in connection with the Offer, major e-commerce marketplaces are estimated to have fulfilled more than 75% of their parcel deliveries through their in-house captive logistics arms in Fiscal 2021 and 59% of total e-commerce shipments in India in Fiscal 2021 were handled by captive logistics arms of the various e-commerce companies. Furthermore, as we diversify our service offerings and further expand our customer base, we may face competition from existing or new players in new sectors we choose to enter, in which we may lack experience and track record. In particular, we may face competition from existing or new last-mile delivery service providers which may expand their service offerings to include other services that we currently provide or adopt a business model disruptive to our business and compete with us for delivery personnel. Similarly, existing players in an adjacent market may choose to leverage their existing infrastructure and expand their services to serve our customers. We may lose members of our management team or experienced employees to such competitors or may fail to implement technological innovations that enable us to compete effectively with our competitors. If these players succeed in developing their fulfilment capabilities, our market share may be adversely impacted and our business and financial performance may be significantly and adversely affected. Certain of our current and potential competitors, as well as international logistics operators, may have significantly greater resources, including financial resources, greater economies of scale attributable to their larger size, wider distribution networks, greater operating efficiencies, a broader range of services, longer operating histories, better customer relationships, larger customer bases or greater brand recognition than us. Other current and potential competitors may be acquired by, receive investment from, or enter into strategic relationships with, established and well-financed companies or investors which would help enhance their competitiveness. Moreover, competitors may adopt more aggressive pricing policies or devote greater resources to marketing and promotional campaigns than us. To effectively compete, we may be required to lower our pricing or increase our investment in advertisement and promotions, which would increase our operating costs. We may not be able to compete successfully against current or future competitors, and competitive pressures may have a material and adverse effect on our business, financial condition, cash flows and results of operations.

SIGNIFICANT ACCOUNTING POLICIES

1. Corporate Information

North Eastern Carrying Corporation Limited is a Limited Company incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the business of transportation.

2. Basis of preparation of Financial Statements

(i) Statement of Compliance:

The financial statements of the Company for the year ended for the year ended March 31, 2022 are prepared in all material aspects in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and relevant provisions of the Companies Act, 2013.

(ii) Basis of preparation:

Effective April 01, 2017, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS101 First time adoption of Indian Accounting Standards, with April 1, 2016 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

(iii) Basis of Measurement:

The financial statements have been prepared under the historical cost convention except for the following which have been measured at fair value.

Financial assets and liabilities except borrowings carried at amortized cost.

3. Significant accounting policies:

(i) Property, plant and equipment:

Property, plant and equipment are stated at original cost, net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment Losses, if any, Cost includes all incidental expenses relating to acquisition and installation of Property, plant and equipment.

Depreciation on computers and related equipment is provided on the written down value method except on Lorry & Trucks on which depreciation is provided on straight line method over their usual lives and in the manner prescribed under Schedule II of the Companies Act, 2013. Depreciation on Goodwill is being provided on straight line method over ten years.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected or arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year and adjusted prospectively, if appropriate.

(ii) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are ready convertible into known amounts of cash, and which are subject to insignificant risk of change in value.

(iii) Employees Benefits

a) Short term employee benefits

All employees' benefits payable wholly within twelve months rendering services are classified as short-term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

b) Post-employment benefits

The Company makes specified monthly contribution towards employee provident fund to the Government. The minimum interest payable by the Government to the beneficiaries every year is notified by the government.

The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date.

c) Termination benefits

Termination benefits are recognised as an expense in the period in which they are incurred.

(iv) Foreign currency transactions

a) Functional and presentation Currency

The Company's financial statements are presented in INR, which is also the Company's functional and presentation currency.

b) Transaction and Balance

Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. The resultant exchange differences are recognised in the Statement of profit and loss.

Non-Monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transactions.

(v) Revenue recognition

Revenue is recognised to the extent that it is possible that the economic benefits will flow to the company and the revenue can be reliably measured.

(vi) Provisions and contingencies

a) Provisions

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 of the amount of the obligation. Provisions are reviewed at each reporting period and are adjusted to reflect the current best estimate.

b) Contingencies

A disclosure for contingent liability is made when there is possible obligation arising from past event the existence of which will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.
A disclosure for contingent assets is also made when there is possibility of an inflow of economic benefits to the entity which arise from unplanned or other unexpected events.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

(vii) Earnings per share

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year.

(viii) Income Taxes

Income tax comprises current tax (including MAT) and deferred tax. Income tax expenses is recognized in net profit in statement of Profit and loss extent to the extent that it relates to items recognised directly in other comprehensive income/equity, in which case it is recognized in other comprehensive income/equity.

Current Tax is the amount of tax payable on the estimated taxable income for the current year as per the provisions of Income Tax Act, 1961.Current tax asset and liabilities are offset when company has a legally enforceable right to set off the recognized amount and also intends to settle on net basis.

Deferred income tax assets and liabilities are recognised for deductible and taxable temporary difference arises between the tax basses of assets and liabilities and their carrying amount in the financial statement.

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that sufficient taxable profit will be available against which those deductible temporary differences can be recognized. Deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax is measured at the tax rates and tax law that that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the year in which those temporary difference is expected to be recovered or settled.

(ix) Financial instruments

Initial measurement

Financial instruments are recognised as soon as the company become a party to the contractual provision of the instruments. All Financial assets and financial liabilities are measured at fair value on initial recognition, except for trade receivable which are initially measured at transaction price. Transaction cost that are directly attributable to the acquisition or issue of financial instrument (other than financial measured at fair value through profit or loss) are added or deducted from the value of the financial instrument, as appropriate, on initial recognition.

Financial Instrument sated as financial assets or financial liabilities are generally not offset, and they are only offset when a legal right to set off exist at that and settlement on a net basis is intended.

Subsequent measurement
Financial assets:

Subsequent measurement of financial assets depends on their classification as follows:

a) Financial asset carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within business model whose objective is to hold the asset in order to collect contractual cash flow and the contractual term of the asset give rise on specified dates to cash flow that are solely payment of principal and interest on the principal amount outstanding.

b) Financial asset carried at Fair Value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial asset the contractual term of the asset give rise on specified dates to cash flow that are solely payment of principal and interest on the principal amount outstanding.

For all other equity instrument, the company make irrevocable election to present in other comprehensive income subsequent change in fair value. The company makes such election on an instrument- to- instrument basis.

c) Financial asset carried at Fair Value through Profit and loss

A financial asset which is not classified in any of the above category is subsequently measured at fair value through profit and loss.

Financial liabilities and equity instruments:

Debts and equity instrument issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definition of a financial liability and an equity instruments.

a) Equity Instruments

An equity instrument is any contract that an evidence and residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recognized at the proceeds received, net of direct issue costs.

b) Financial Liabilities

All Financial liabilities are subsequently measured at amortized cost using the Effective interest method.

De-recognition of financial Instrument: -

A financial asset is primarily derecognized when the contractual right to the cash flow from the financial asset expires and it transfers the financial asset. A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

(x) Impairment

A. Financial Asset

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

B. Non-Financial Asset

a) Property, plant and equipment and Intangible asset

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated as higher of its net selling price and value in use. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of profit and loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, had no impairment loss been recognized. Post Impairment, depreciation/amortization is provided on the revised carrying value of the impaired assets over its remaining useful life.

3. Critical accounting estimates, assumptions and judgements:

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognized in the financial statement. Uncertainty about these assumptions and estimates could result in outcome that require a material adjustment to assets or liabilities affected in future periods.

i) Property, plant and equipment

Property, Plant and equipment represent at proportion of the asset base of the company. The useful lives and residual value of the company's asset are determined by the management at the time the asset is acquired and reviewed at each reporting date.

ii) Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

iii) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

iv) Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables and advances are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

v) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the assets's recoverable amount. An assets's recoverable amount is the higher of an assets's or CGU's fair value less costs of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

vi) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

vii) Fair value measurement of financial instruments

When the fair values of financials assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

SUMMARY RESULTS OF OPERATIONS

NORTH EASTERN CARRYING CORPORATION LIMITED

Statement Of Profit And Loss For The Year Ended

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the quarter and nine months ended 31.12.2022 Amt in Rs. Lakhs	For the year ended 31.03.2022 Amt in Rs. Lakhs	For the year ended 31.03.2021 Amt in Rs. Lakhs	Change figures from 31.03.21 to 31.03.22	
				Amount (Rs.)	Change (%)
INCOME					
Revenue from operations	23,260.73	25,042.77	23,058.64	1,984.13	8.60%
Other Income	38.13	42.75	215.10	-172.35	-80.12%
Total	**23,298.86**	**25,085.53**	**23,273.75**	**1,811.78**	**7.78%**
EXPENSES					
Operating/Direct Cost/Services Availed	19,578.55	20,628.59	19,399.70	1,238.54	6.39%
Employee Benefit Expenses	1,081.20	1,305.47	1,310.16	-4.69	-0.36%
Financial Costs	556.06	603.69	685.6	-81.91	-11.95%
Depreciation and Amortization Expense	211.90	372.74	310.26	62.48	20.14%
Other Administrative Expenses	1,165.59	1,606.39	1,449.89	146.85	10.06%
Total	**22,593.31**	**24,516.89**	**23,155.61**	**1,361.28**	**5.88%**
Profit before exceptional and extraordinary items and tax	705.55	568.64	118.14	450.50	381.32%
Exceptional Items	-	-	-	-	-
Profit before extraordinary items and tax	705.55	568.64	118.14	450.50	381.32%
Extraordinary Items	-	-	-	-	-
Profit before tax	**705.55**	**568.64**	**118.14**	**450.50**	**381.32%**
Tax expense:					
(1) Provision for Current tax (Income Tax)	197.22	203.18	45.49	157.96	346.64%
(2) Deferred Tax Savings/(Charge)	11.23	32.56	-12.90	45.46	-352.40%
(3) Provision for tax (Earlier year) written back	31.96	27.73	-57.45	85.18	148.27%
Profit(Loss) from the period from continuing operations	487.61	425.75	143.01	282.75	197.70%
Profit/(Loss) from discontinued operations					
Tax expense of discountinued operations	-	-	-	-	-
Profit/(Loss) from Discontinued operations	-	-	-	-	-
Profit/(Loss) for the period	**487.61**	**425.75**	**143.01**	**282.75**	**197.70%**
Other comprehensive income					
(A)(i) Items that will not be reclassified to profit or loss:	-	-	-	-	-
(ii) Income tax relating to item that will not be classified to Profit and Loss	-	-	-	-	-
(B) (i) Items that will be reclassified to profit or loss:	18.59	-	-	-	-
(ii) Income tax relating to item that will be classified to Profit and Loss - Loss on reclassification of gratuity	4.68	-4.18	-	-	-
Total Other Comprehensive Income	13.91	-4.18	0	-4.18	0.00%
Total Comprehensive Income for the year	501.52	421.57	143.00	278.57	194.80%
Earning per equity share:					
(1) Basic	0.97	0.85	0.28	0.57	203.57%
(2) Diluted	0.97	0.85	0.28	0.57	203.57%

Nine months and Quarter ended December 31, 2022 and Financial Year ended March 31, 2022, compared to Financial Year ended March 31, 2021

Income

The total income in Fiscal 2022 increased by 7.78% to Rs.25,085.53 from Rs.23273.75 in Fiscal 2021. This increase was attributable to an increase in handling and transportation services. Further, for the period of 9 (Nine) months ended, December 31, 2022 the Company has achieved an income of Rs.23,298.86. For further details, please refer to "Revenue from operations" below:

Revenue from operations

Revenue from operations for Fiscal 2022 increased by 8.60% to Rs.25,042.77 from Rs.23,058.64 in Fiscal 2021. This increase was attributable to Income from Freight.

Expenses

The total expenses for Fiscal 2022 increased by 5.88% to Rs.24,516.89 from Rs.23,155.61 in Fiscal 2021. This was primarily due to an increase in freight expenses. For further details, please see 'Freight and handling expenses' below:

Freight expenses

Freight expenses for Fiscal 2022 increased by 6.33% to Rs.20,628.59 from Rs.19,399.70 in Fiscal 2021.

Employee Benefit expenses

Employee Benefit expenses for Fiscal 2022 decreased by 0.36% to Rs.1,305.47 from Rs.1,310.16 in Fiscal 2021. It comprises of Establishment expenses, PF/ESI expenses, Gratuity, Recruitment & Training Expenses, Directors Remuneration and Staff Welfare.

Financial Cost

Financial Cost for Fiscal 2022 decreased by 11.95% to Rs.603.69 from Rs.685.60 in Fiscal 2021. Financial Costs includes Bank Interest, Processing Charges, Interest on Loan, Finance Cost – Vehicles.

Depreciation and Amortization

Depreciation/amortization expenses include depreciation of tangible assets and amortization of intangible assets. Depreciation and Amortization for Fiscal 2022 increased by 20.14% to Rs.372.74 to Rs.310.26 in Fiscal 2021.

Other Administrative Expenses

The Other Administrative Expenses increased by 10.79% in Fiscal 2022 to Rs.1606.39 from Rs.1449.89 in Fiscal 2021.

Tax Expenses

The Current Tax for Fiscal 2022 has increased by 346.65% to Rs.203.18 from Rs.45.49 in Fiscal 2021. Deferred Tax expenses for Fiscal 2022 has decreased significantly by 352.40% to Rs.32.56 from Rs.12.90 in Fiscal 2021.

Profit for the Year

As a result of the foregoing factors, our profit for the year, as restated, increased by 197.71% from Rs.143.01 Lakhs in fiscal 2021 to Rs.425.75 Lakhs in Fiscal 2022.

Off-Balance Sheet Arrangements

We do not have any other off-balance sheet arrangements or other relationships with unconsolidated entities, such as special purpose vehicles, that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualitative Disclosure about Market Risk

Market risk is the risk of loss related to adverse changes in the market prices, including interest rate risk, credit risk and inflation risk. Our principal market risks are equity price risk, interest rate risk and credit risk.

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

Other than as described in the section titled ***'Risk Factors'*** and ***'Management's Discussion and Analysis of Financial Conditions and Results of Operations'*** beginning on pages 20 and 125, respectively of this Letter of Offer, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

Unusual or Infrequent Events or Transactions

Except as described elsewhere in this Letter of Offer, 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.

Significant economic/regulatory changes

Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company's operations or are likely to affect income except as mentioned in the section titled ***'Risk Factors'*** on page 20 of this Letter of Offer.

Except as disclosed in this Letter of Offer, to our knowledge, there are no significant regulatory changes that materially affected or are likely to affect our income from continuing operations.

Expected future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known

Other than as described in the sections titled ***Risk Factors'*** and ***'Management's Discussion and Analysis of Financial Conditions and Results of Operations'*** beginning on pages 20 and 125, respectively, and elsewhere in this Letter of Offer, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company's future costs and revenues will be determined by demand/supply situation and government policies.

The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new services or increased sales prices

The increase in revenue is by and large linked to increase in volume and price of all the activities carried out by the Company.

Competitive Conditions

We expect competition in the sector from existing and potential competitors to vary. However, on account of our core strengths like quality products, brand loyalty and timely supply, we are able to stay competitive. For further details, kindly refer the section titled ***'Business Overview'*** beginning on page 66 of this Letter of Offer.

Total Turnover of Each Major Business Segment

We currently operate in one business segment i.e. logistic Industry.

New Product/ service or Business Segment

Except as disclosed in ***'Business Overview'*** beginning on page 66 of this Letter of Offer, we have not announced and do not expect to announce in the near future any new products/service or business segments.

Seasonality of Business

Our Company's business is not seasonal in nature.

Significant dependence on a Single or Few Suppliers or Customers

Other than as described in this Letter of Offer, particularly in section titled ***'Risk Factors'*** on page 20 of this Letter of Offer, to our knowledge, there is no significant dependence on a single or few customers or suppliers.

Related party transactions

For details of Related Party Transactions for financial year 2021-22 on consolidated basis, please see the '***Related Party Disclosure***' in section titled ***'Financial Information'*** at page 103 of this Letter of Offer.

Significant Developments since last balance sheet date

Except as disclosed above and in this Letter of Offer, including under section titled ***'Risk Factors'*** and ***'Business Overview'*** on pages 20 and 66 respectively, of this Letter of Offer, to our knowledge no circumstances have arisen since March 31, 2022, the date of the last financial information disclosed in this Letter of Offer which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 (Twelve) months.

OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENTS

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

In determining whether any outstanding litigation against our Company, other than litigation involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings relating to economic offences against our Company, would have a material adverse effect on our operations or financial position or impact our future revenues, we have considered all pending litigations involving our Company, other than criminal proceedings, statutory or regulatory actions, as 'Materiality Policy' under Regulation 30 of the SEBI Listing Regulations and as adopted by the Board of Directors of the Company on Saturday, January 22, 2022 for the purpose of litigation disclosure in this Letter of Offer if:

- Any outstanding litigation involving monetary amount of claim made by or against the Company amounting to Rs.250.43 lakhs which is exceeding 1.00% (One percent) of the consolidated revenue from operations of the Company as per the latest Audited Balance Sheet.

- For the purpose of determining materiality, the threshold shall be determined by the issuer as per requirements under the SEBI (LODR) Regulations, 2015.

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

CONTINGENT LIABILITIES OF OUR COMPANY

As per the Financial Statements for the Financial Year ending March 31, 2022, there are no contingent liabilities pending.

LITIGATION INVOLVING OUR COMPANY

1) Litigation Involving Actions by Statutory/Regulatory Authorities

As on date of this Letter of Offer, there are no actions taken by Statutory/Regulatory Authorities against our Company.

2) Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

As on date of this Letter of Offer, except below mentioned cases there are no direct tax liabilities against our Company.

Nature of Tax	No. of Outstanding Cases/Notices received	Amount Contested (Rs. in Lakhs)
Income Tax – AY 2013-14	1	1.54

(ii) Indirect Taxes Liabilities

As on date of this Letter of Offer, except below mentioned cases there are no other indirect tax liabilities against our Company.

Nature of Cases	No. of Outstanding Cases/Notices received	Amount Involved (Rs. in Lakhs)
GST	1	55.08

Our Company has deposited the amount of penalty before the Adjudicating Authority as the matter is pending but has not shown any effect in the Profit and Loss. If the decision is not in favor of our Company, we will have to book the above amount as an expense and thus, will impact our profitability.

In the past, Our Company had received an Audit Observation on following grounds which was settled through an order dated August 29, 2022:

(Rs. in Lakhs)

Sr. No.	Reasons	Amount Involved	Interest	Late Fee
1	Excess Availment of Input Tax Credit	3.88	2.72	Nil
2	Excess Availment of Input Tax Credit	1.76	1.36	Nil
3	Short Payment of GST under Reverse Charge Mechanism	0.61	0.48	Nil
4	Late fee for delay filling of GSTR-1	Nil	Nil	0.70
Total		**6.25**	**4.56**	**0.70**

Our Company has paid all the above-mentioned dues as per requirement of competent authorities.

3) Criminal matters initiated by or against the Company, Group, Promoters, Directors which are at FIR stage:

Particulars	Total no. of cases	No. of cases where amount is unascertainable	No. of cases where amount is ascertainable	Amount Involved (In Lakhs)
By the Company	21	Nil	21	64.44
Against the Company	9	Nil	9	28.69

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

As on date of this Letter of Offer, there are no proceedings involving issues of moral turpitude or criminal liability filed against our Company.

5) Proceedings involving Material Violations of Statutory Regulations by our Company

As on date of this Letter of Offer, there are no proceedings involving issues of material violations of statutory regulations our Company.

6) Matters involving economic offences where proceedings have been initiated against our Company

As on date of this Letter of Offer, there are no matters involving economic offences where proceedings have been initiated against our Company;

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

As on date of this Letter of Offer, there are no proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company;

Note: The litigations filed by and against Company have not been included in the Letter of Offer as they are not material as per the Materiality Policy of the Company.

LITIGATION INVOLVING OUR DIRECTORS, PROMOTERS AND PROMOTER GROUP

1) Litigation Involving Actions by Statutory/Regulatory Authorities

i. Actions taken by SEBI / Statutory/Regulatory Authorities-

*a. SEBI issued a Show Cause Notice to Mrs. Vanya Jain and Mr. Utkarsh Jain bearing reference No. EAD6/ADJ/DAK/AS/OW/49453/1/2022 dated September 2022for the alleged violations of Section 12A(a), (b), (c) of246 SEBI Act read with Regulation 3(a),(b),(c),(d) and Regulations 4(1), 4(2) (a) of SEBI(Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 wherein they opted for the settlement mechanism on October 31 2022 but subsequently on 16th January 2023, the said consent application was withdrawn and the promoters decided to continue with the Adjudication under Section 15I of the SEBI Act, 1992. In the above-mentioned matter, SEBI has passed an order dated February 21, 2023 bearing reference no. Order/AK/AS/2022-23/23970-23975 imposing a penalty of Rs. 10.00 Lakhs each against Vanya Jain and Utkarsh Jain. The promoters have filed an application to make an appeal to Securities Appellate Tribunal ('SAT') against the order of SEBI on Monday, April 03, 2023 for Mrs. Vanya Jain and on Wednesday, April 05, 2023 for Mr. Utkarsh Jain. to the Securities Appellate Tribunal ('**SAT**') against the order of SEBI. In case the outcome of the appeal is*

not in favor of the promoters, it may adversely impact the financial condition of the Promoters, which may in turn have an impact on the Company.

Name of the Promoters/Directors	No of Case	Amount (In Lakhs)
Mr. Utkarsh Jain (Promoter and Director)	1	10.00
Mrs. Vanya Jain (Promoter and Director)	1	10.00

b. *In the past, SEBI had issued a Show Cause Notice to Mr. Sunil Kumar Jain, Director of the Company, who was holding Independent Directorship in Parsvnath Developers Limited, alleging that the Noticee had failed to present true and fair financial statements, executed transactions which are non-genuine in nature resulting in misrepresentation of the accounts/ financials statement and misuse of account/ funds of the Company and such acts were found to be fraudulent in nature as they induced the investors to trade in the securities of the Company and had the potential to mislead the investors under Section 12A (a), (b) & (c) of the SEBI Act, 1992, Regulations 3(b), (c) and (d) and 4(1) and 4(2) (f) and (r) of the PFUTP Regulations, 2003 and have also not complied with provisions of Clauses 41(Li)(a), 49 (V)(a) and 50 of the erstwhile Listing Agreement read with Accounting Standard 7, Section 27 of SEBI Act, 1992 and Section 21 of SCRA, 1956.*

The matter was subsequently disposed off without any direction and penalty through an order dated June 29, 2022, bearing reference no. WTM/AB/IVD/ID19/17508/2022-23 in point 35 of the order.

ii. There is no Outstanding Demand against the promoters/Directors under Income Tax.

LITIGATION INVOLVING OUR SUBSIDIARY COMPANY

As on date of this Letter of Offer, our Company has no Subsidiary company.

LITIGATION INVOLVING OUR GROUP COMPANIES

1) Litigation involving our Group Companies

As on date of this Letter of Offer, there are no subsisting litigations filed by or against our group companies;

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

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

DETAILS OF MATERIAL DEVELOPMENTS AFTER THE DATE OF LAST BALANCE SHEET FOR THE FINANCIAL YEAR ENDING MARCH 31, 2022

Except as mentioned in this Letter of Offer, no material circumstances have arisen since the date of last financial statement until the date of filing the Letter of Offer, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next 12 (Twelve) months to our knowledge.

GOVERNMENT AND OTHER APPROVALS

Registered Office	9062/47, NECC House, Ram Bagh Road, Azad Market, New Delhi-110006, India	
Regional Offices	The Company has regional offices located in the following States:	
	Maharashtra	Navaratna, 2, Mezzanine Floor, 69, P.D, "Mellow Road, Carnace Bunder, Mumbai – 400009, India
	Karnataka	NECC House, 6- S.G, Narayana Layout, Lal Bagh Road, Bangalore-560027, India
	Telangana	Plot no.93-96, Block No. 36A, Auto Nagar, Telengana, Hyderabad-500070
	West Bengal	Raghunath Building, IInd Floor, 34 A, Brabourne Road, Kolkata-700001, India
	Assam	M.S. Road, Guwahati – 781001, India
	Bihar	C-1, 1st Floor, Durga Vihar, S.P. Verma Road Patna Jn- 800001, India

Please note all the above offices are owned by the Company.

APPROVALS PERTAINING TO INCORPORATION OF OUR COMPANY

Sr. No.	Description	Registrar	Date of Certificate	Date of Expiry
1)	Certificate of Incorporation in the name of Prakarima Leasing Private Limited	Registrar of Companies, Delhi & Haryana	December 05, 1984	Valid until Cancelled
2)	Certificate of Incorporation after conversion from Prakarima Leasing Private Limited to Prakarima Leasing Limited	Registrar of Companies, Delhi & Haryana	January 16, 1995	Valid until Cancelled
3)	Certificate of Incorporation after change in the name from Prakarima Leasing Limited to N.E.C.C. Finlease Limited	Registrar of Companies, Delhi & Haryana	January 03, 1995	Valid until Cancelled
4)	Certificate of Incorporation after change in the name from N.E.C.C. Finlease Limited toNorth Eastern Carrying Corporation Limited	Registrar of Companies, Delhi & Haryana	October 06, 1999	Valid until Cancelled

TAX RELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1)	Permanent Account Number (PAN)	Income Tax Department	AABCN5129K	December 05,1984	Valid until cancelled
2)	Tax Deduction Account Number (TAN)	Income Tax Department	DELN05495A	Not available	Valid until cancelled
3)	Registration Certificate for Goods and Services Tax (GST) for the state of Delhi	Government of India	07AABCN5129K3ZB	December 18, 2019	Valid until cancelled
4)	Registration Certificate for Goods and Services Tax (GST RCM) for the State of Delhi	Government of India	07AABCN5129K2ZC	December 18, 2019	Valid until cancelled
5)	Registration Certificate for Goods and Services Tax (GST) for state of Maharashtra	Centre Goods and Service Tax Act, 2017	27AABCN5129K1ZB	December 02, 2019	Valid until cancelled
6)	Registration Certificate for Goods and Services Tax (GST) for state of Andhra Pradesh	Andhra Pradesh Goods and Services Tax Act, 2017	37AABCN5129K1ZA	November 29, 2019	Valid until cancelled
7)	Registration Certificate for Goods and Services Tax (GST) for state of Assam	Assam Goods and Services Tax Act, 2017	18AABCN5129K1ZA	December 07, 2019	Valid until cancelled
8)	Registration Certificate for Goods and Services Tax (GST)	Bihar Goods and Services Tax Act,	10AABCN5129K3ZO	January 06, 2020	Valid until cancelled

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
	for state of Bihar	2017			
9)	Registration Certificate for Goods and Services Tax (GST) for UT of Chandigarh	Union Territory Goods and Services Tax Act, 2017	04AABCN5129K1ZJ	February 28, 2018	Valid until cancelled
10)	Registration Certificate for Goods and Services Tax (GST) for the state of Chhattisgarh	Chhattisgarh Goods and Services Tax Act, 2017	22AABCN5129K1ZL	December 17, 2019	Valid until cancelled
11)	Registration Certificate for Goods and Services Tax (GST) for the state of Goa	Goa Goods and Services Tax Act, 2017	30AABCN5129K1ZO	December 18, 2019	Valid until cancelled
12)	Registration Certificate for Goods and Services Tax (GST) for the state of Gujarat	Gujarat Goods and Services Tax Act, 2017	24AABCN5129K1ZH	December 02, 2019	Valid until cancelled
13)	Registration Certificate for Goods and Services Tax (GST) for the state of Haryana	Haryana Goods and Services Tax Act, 2017	06AABCN5129K1ZF	December 21, 2019	Valid until cancelled
14)	Registration Certificate for Goods and Services Tax (GST for Warehouse) for the state of Haryana	Haryana Goods and Services Tax Act, 2017	06AABCN5129K2ZE	December 21, 2019	Valid until cancelled
15)	Registration Certificate for Goods and Services Tax (GST for FCM) for the state of Haryana	Haryana Goods and Services Tax Act, 2017	06AABCN5129K3ZD	December 21, 2019	Valid until cancelled
16)	Registration Certificate for Goods and Services Tax (GST for Other Taxable Services)– for the state of Haryana	Haryana Goods and Services Tax Act, 2017	21AABCN5129K2ZM	December 05, 2022	Valid until cancelled
17)	Registration Certificate for Goods and Services Tax (GST) for the state of Jharkhand	Jharkhand Goods and Services Tax Act, 2017	20AABCN5129K1ZP	July 17, 2018	Valid until cancelled
18)	Registration Certificate for Goods and Services Tax (GST) for the state of Karnataka	Karnataka Goods and Services Tax Act, 2017	29AABCN5129K1Z7	July 08, 2018	Valid until cancelled
19)	Registration Certificate for Goods and Services Tax (GST) for the state of Kerala	Kerala Goods and Services Tax Act, 2017	32AABCN5129K1ZK	December 27, 2019	Valid until cancelled
20)	Registration Certificate for Goods and Services Tax (GST) for the state of Madhya Pradesh	Madhya Pradesh Goods and Services Tax Act, 2017	23AABCN5129K1ZJ	January 10, 2020	Valid until cancelled
21)	Registration Certificate for Goods and Services Tax (GST) for the state of Meghalaya	Meghalaya Goods and Services Tax Act, 2017	17AABCN5129K1ZC	December 21, 2019	Valid until cancelled
22)	Registration Certificate for Goods and Services Tax (GST) for the state of Manipur	Manipur Goods and Services Tax Act, 2017	14AABCN5129K1ZI	December 18, 2019	Valid until cancelled
23)	Registration Certificate for Goods and Services Tax (GST) for the state of Mizoram	Centre Goods and Services Tax Act, 2017	15AABCN5129K1ZG	December 02, 2019	Valid until cancelled
24)	Registration Certificate for Goods and Services Tax (GST) for the state of Nagaland	Centre Goods and Services Tax Act, 2017	13AABCN5129K2ZJ	December 02, 2019	Valid until cancelled
25)	Registration Certificate for Goods and Services Tax (GST) for the state of Odisha	Odisha Goods and Services Tax Act, 2017	21AABCN5129K1ZN	December 20, 2019	Valid until cancelled
26)	Registration Certificate for Goods and Services Tax (GST for FCM) for the state of	Odisha Goods and Services Tax Act, 2017	21AABCN5129K3ZL	July 07, 2020	Valid until cancelled

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
	Odisha				
27)	Registration Certificate for Goods and Services Tax (GST for Rock Loading) for the state of Odisha	Odisha Goods and Services Tax Act, 2017	21AABCN5129K2ZM	December 05, 2022	Valid until cancelled
28)	Registration Certificate for Goods and Services Tax (GST) for the state of Punjab	Punjab Goods and Services Tax Act, 2017	03AABCN5129K1ZL	December 21, 2019	Valid until cancelled
29)	Registration Certificate for Goods and Services Tax (GST) for the state of Rajasthan	Rajasthan Goods and Services Tax Act, 2017	08AABCN5129K1ZB	January 13, 2018	Valid until cancelled
30)	Registration Certificate for Goods and Services Tax (GST) for the state of Tamil Nadu	Tamil Nadu Goods and Services Tax Act, 2017	33AABCN5129K1ZI	August 02, 2018	Valid until cancelled
31)	Registration Certificate for Goods and Services Tax (GST) for the state of Telangana	Telangana Goods and Services Tax Act, 2017	36AABCN5129K1ZC	January 21, 2020	Valid until cancelled
32)	Registration Certificate for Goods and Services Tax (GST) for the state of Tripura	Centre Goods and Services Tax Act, 2017	16AABCN5129K1ZE	December 02, 2019	Valid until cancelled
33)	Registration Certificate for Goods and Services Tax (GST) for the state of Uttar Pradesh	Uttar Pradesh Goods and Services Tax Act, 2017	09AABCN5129K1Z9	October 01, 2021	Valid until cancelled
34)	Registration Certificate for Goods and Services Tax (GST) for the state of Uttarakhand	Uttarakhand Goods and Services Tax Act, 2017	05AABCN5129K1ZH	June 19, 2018	Valid until cancelled
35)	Registration Certificate for Goods and Services Tax (GST) for the state of West Bengal	West Bengal Goods and Services Tax Act, 2017	19AABCN5129K1Z8	January09, 2023	Valid until cancelled
36)	Registration Certificate for Goods and Services Tax (FCM GST) for the state of Puducherry	Puducherry Goods and Services Tax Act, 2017	34AABCN5129K1ZG	March 20, 2020	Valid until cancelled
37)	Certificate of enrolment Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	Professional Tax Officer	99163143509P	April 01, 2017	Valid until cancelled
38)	Certificate of Registration Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	Professional Tax Officer	27841546248P	October 13, 2017	Valid until cancelled

BUSINESS RELATED APPROVALS

Approvals/registration valid

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1)	Certificate of Common Carrier Registration	Government of National Capital Territory of Delhi, Department of Transport	RT/52/2015	March 12, 2015	March 11, 2025
2)	License under FSSAI Act, 2006 under Transport Business	Government of India, Food Safety and Standards Authority of India	10012011000700	November 06, 2018	November 05, 2023

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
3)	Registration Certificate of Establishment	Department of Labour, Government of National Capital Territory of Delhi	2022189155	June 01, 2022	Valid upto 5 years
4)	Certificate of Registration to work a motor transport undertaking	Labour Department, Uttar Pradesh	UPMTA09000101	May 13, 2022	December 31, 2024

Note: The Company has applied for renewal of Recommendation accorded to Transport Operators license with India Bank's Association bearing Document Number DLN 1351 on 06.02.2023.

LABOUR RELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Issue
1)	Registrations under the Employees State Insurance Act, 1948	Regional Director	11-7984-106	January 5, 1983
2)	Registration Certificate under Employees' Provident Funds & Miscellaneous Provisions Act, 1952	Assistant PF Commissioner	DL1- 5410	NA

INTELLECTUAL PROPERTY RIGHTS

Sr. No.	Trademarks/ Copyright	Class Trademark Type	Applicant	Registration No.	Date of Application	Registration Status	Company's rights
1)	NECC	Device	North Eastern Carrying Corporation Limited	3131456	December 18, 2015	Registered	Registration valid for a period of 10 years
2)	NORTH EASTERN CARRYING CORPORATION	Word	North Eastern Carrying Corporation Limited	3131508	December 18, 2015	Registered	Registration valid for a period of 10 years

OTHER CERTIFICATES

Sr. No.	Description	Authority	ISO Code	Certificate No.	Date of Issue	Validity up to
1)	ISO Certification of Registration	NFI Certification Ltd	ISO 9001: 2015	110521Q	August 10, 2020	August 09, 2023

MATERIAL APPROVALS YET TO APPLY

Our Company has yet to apply for the registration under Shop and Establishment Act for its offices in various states.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

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

1. Resolution passed by our Board of Directors under clause (a) of Sub-Section (1) of Section 62 and other provisions of the Companies Act, at their meeting conducted on Tuesday, July 05, 2022.

2. The Board of Directors of our Company in their meeting conducted on Tuesday, May 16, 2023 approved this Issue inter-alia on the following terms:

Issue Size	Up to 4,51,77,602 Equity Shares;
Issue Price	Rs.18.00/- (Rupees Eighteen) per Right Equity Share issued in 1 (One) Rights Entitlement, (i.e. Rs.18/- (Rupees Eighteen) per Rights Equity Share, including a premium of Rs. 8/- (Rupees Eight) per Rights Equity Share); On Application, Investors will have to pay Rs.9.00/- (Rupees Nine Only) per Rights Equity Share which constitutes 50.00% (Fifty percent) of the Issue Price and the balance Rs.9.00/- (Rupees Nine Only) per Rights Equity Share which constitutes 50.00% (Fifty percent) of the Issue Price, will have to be paid, on one additional Call, as determined by the Board of Directors at its sole discretion, from time to time;
Issue Entitlement Ratio	9:10 i.e., 9 Equity Shares for every 10 Equity Shares held by Eligible Shareholders of our Company as on Record Date;
Record Date	Friday, June 02, 2023;

3. The Issue Price shall be determined in consultation with the Lead Manager to the Issue.

4. The Draft Letter of Offer has been approved at Board meeting of the Board of Directors on Thursday, July 14, 2022;

5. Receipt of In-principle approvals from the Stock Exchanges in accordance with Regulation 28 (1) of SEBI (LODR) Regulations for listing of the Rights Shares proposed to be allotted pursuant Issue vide a letter bearing reference number DCS/RIGHT/CP/FIP/2468/2022-23 from BSE Limited dated Thursday, August 04, 2022 and a letter bearing reference number NSE/LIST/31838 from NSE dated Monday, July 25, 2022. Our Company will also make application to Stock Exchanges to obtain their trading approvals for the Rights Entitlements as required under the ASBA Circular;

6. Our Company has been allotted the ISIN: INE553C20016 for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Shareholders of our Company;

7. Our Company has been allotted the ISIN: INE553C20016 from the Depositories for the Rights Shares to be issued pursuant to this Issue.

PROHIBITION BY SEBI OR RBI OR OTHER GOVERNMENTAL AUTHORITIES

1. Our Company, the Promoters and members of the Promoter Group, and the Directors of our Company have not been prohibited or debarred from accessing or operating in the capital markets, or restrained from buying, selling, or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

2. The companies with which our Directors or the persons in control of our Company are or were associated as promoter, directors or persons in control have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

3. Our Company, the Promoters and members of the Promoter Group, and the Directors of our Company have not been identified as Willful Defaulters by the RBI;

4. None of our Directors are associated with the securities market in any manner;

5. Our Company, the Promoters and members of the Promoter Group, and the Directors of our Company have not been declared as fugitive economic offenders;

6. None of our Directors currently holds nor have held directorship(s) in the last five years in a listed Company whose shares have been or were suspended from trading on any stock exchange or in a listed Company which has been / was delisted from any stock exchange;

7. There are no proceedings initiated by SEBI, Stock Exchange or ROC, etc., against our Company, Directors, Group Companies;

ELIGIBILITY FOR THE ISSUE

1. Our Company is a listed company incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the BSE Limited and National Stock Exchange of India Limited. Our Company is eligible to offer and issue Rights Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI (ICDR) Regulations;

2. Our Company is undertaking this Right Issue in compliance with Part B of Schedule VI of the SEBI (ICDR) Regulations. Our Company undertakes to make an application to the Stock Exchanges for listing of the Rights Shares to be issued pursuant to this Issue.

COMPLIANCE WITH SEBI (ICDR) REGULATIONS

1. Our Company is in compliance with requirements of Regulation 61 and Regulation 62 of the SEBI (ICDR) Regulations to the extent applicable;

2. Further, in relation to compliance Regulation 62 (1) (a) of the SEBI (ICDR) Regulations, our Company undertakes to make an application to Stock Exchanges for listing of the Rights Shares to be issued pursuant to this Issue;

3. BSE Limited shall be the Designated Stock Exchange for this Issue;

COMPLIANCE WITH CLAUSE (1) OF PART B OF SCHEDULE VI OF SEBI (ICDR) REGULATIONS

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI (ICDR) Regulations as explained below:

1. Our Company has been filing periodic reports, statements, and information in compliance with the Listing Agreement or the SEBI (LODR) Regulations, as applicable for the last one year immediately preceding the date of filing of the Letter of Offer with the SEBI and until date;

2. The reports, statements and information referred to above in clause (1) are available on the website of Stock Exchanges;

3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board of Directors as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI (ICDR) Regulations, disclosures in this Letter of Offer have been made in terms of Clause (4) of Part B of Schedule VI of SEBI (ICDR) Regulations.

COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company is in compliance with the provisions of the Companies (Significant Beneficial Ownership) Rules, 2018.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THE LETTER OF OFFER TO SECURITIES AND EXCHANGE BOARD OF INDIA SHOULD NOT, IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SECURITIES AND EXCHANGE BOARD OF INDIA. SECURITIES AND EXCHANGE BOARD OF INDIA DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. THE LEAD MANAGER, BEING CAPITALSQUARE ADVISORS PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE LETTER OF OFFER, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, BEING CAPITALSQUARE ADVISORS PRIVATE LIMITED HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED THURSDAY, JULY 14, 2022, WHICH READS AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABOURATORS, ETC. AND OTHER MATERIAL WHILE FINALISING THE LETTER OF OFFER OF THE SUBJECT ISSUE;**

2. **ON THE BASIS OF SUCH EXAMINATION AND DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION, CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:**

a. **THE LETTER OF OFFER FILED WITH SECURITIES AND EXCHANGE BOARD OF INDIA IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;**

b. **ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

c. **THE MATERIAL DISCLOSURES MADE IN THE LETTER OF OFFER ARE TRUE AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE LETTER OF OFFER ARE REGISTERED WITH SECURITIES AND EXCHANGE BOARD OF INDIA AND THAT UNTIL DATE SUCH REGISTRATION IS DULY COMPLIED WITH.**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOT APPLICABLE**

5. **WRITTEN CONSENT FROM THE PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED OR SOLD OR TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE LETTER OF OFFER WITH SECURITIES AND EXCHANGE BOARD OF INDIA UNTIL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE LETTER OF OFFER. – NOT APPLICABLE.**

6. **ALL APPLICABLE PROVISONS SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED, WHICH RELATE TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAVE BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION(S) HAVE BEEN MADE IN THE LETTER OF OFFER. – NOT APPLICABLE.**

7. **ALL APPLICABLE PROVISONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED, WHICH RELATE TO RECEIPT OF PROMOTER'S CONTRIBUTION PRIOR TO OPENING OF THE ISSUE, SHALL BE COMPLIED WITH. ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THE STATUTORY AUDITOR'S CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SECURITIES AND EXCHANGE BOARD OF INDIA. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE ISSUE. – NOT APPLICABLE.**

8. **NECESSARY ARRANGEMENTS SHALL BE MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE ISSUE ARE CREDITED OR TRANSFERRED TO A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONIES SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES, AND THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SEPCIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE TO THE EXTENT APPLICABLE**

9. **THE EXISTING BUSINESS AS WELL AS ANY NEW BUSINESS OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED FALL WITHIN THE 'MAIN OBJECTS' IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED IN LAST TEN YEARS ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. COMPLIED WITH**

10. **FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE LETTER OF OFFER ARE COMPLIED WITH TO THE EXTENT APPLICABLE**

a. **AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY EXCLUDING SR EQUITY SHARES WHERE THE ISSUER HAS OUTSTANDING EQUITY SHARES; AND**

b. **AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH ALL DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SECURITIES AND EXCHANGE BOARD OF INDIA.**

11. **WE SHALL COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENTS IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED - NOTED FOR COMPLIANCE.**

12. **IF APPLICABLE, THE COMPANY IS ELIGIBLE TO LIST ON THE INNOVATORS GROWTH PLATFORM IN TERMS OF THE PROVISIONS CHAPTER X OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED - NOT APPLICABLE.**

13. **NONE OF THE INTERMEDIARIES NAMED IN THE LETTER OF OFFER HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY – COMPLIED WITH**

14. **THE COMPANY IS ELIGIBLE TO MAKE A FAST TRACK ISSUE IN TERMS OF REGULATION 99 OF THE SEBI (ICDR) REGULATIONS. THE FULFILMENT OF THE ELIGIBILITY CRITERIA AS SPECIFIED IN THAT REGULATION BY THE COMPANY HAS ALSO BEEN DISCLOSED IN THIS LETTER OF OFFER - NOT APPLICABLE.**

15. **THE ABRIDGED LETTER OF OFFER CONTAINS ALL DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED – NOTED FOR COMPLIANCE.**

16. **ALL MATERIAL DISCLOSURES IN RESPECT OF THE COMPANY HAVE BEEN MADE IN THIS LETTER OF OFFER AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE COMPANY OR RELATING TO THE COMPANY UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE EQUITY SHARES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN – COMPLIED WITH AND NOTED FOR COMPLIANCE**

17. **AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE COMPANY – COMPLIED WITH**

THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGERS ANY IRREGULARITIES OR LAPSES IN THE LETTER OF OFFER.

DISCLAIMER CLAUSES OUR COMPANY AND LEAD MANAGER

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

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

CAUTION

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

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

DISCLAIMER WITH RESPECT TO JURISDICTION

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

DESIGNATED STOCK EXCHANGE

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

DISCLAIMER CLAUSE OF BSE LIMITED

As required, a copy of this Letter of Offer has been submitted to the Stock Exchanges. The Stock Exchanges have given their approval vide letters dated Thursday, August 04, 2022 to use its name in this Letter of Offer. The Disclaimer Clause shall be intimated by the Stock Exchanges to us, post-scrutiny of this Letter of Offer, shall be included in the Letter of Offer prior to filing with Stock Exchanges.

Further, Stock Exchanges does not in any manner:

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

And it should not for any reason be deemed or construed that this Letter of Offer has been cleared or approved by the Stock Exchanges.

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

DISCLAIMER CLAUSE OF NSE

As required, a copy of this Letter of Offer has been submitted to the NSE. NSE has given vide its letter dated Monday, July 25, 2022 to use its name in this Letter of Offer. The Disclaimer Clause as shall be intimated by the NSE to us, post-scrutiny of this Letter of Offer, shall be included in the Letter of Offer prior to filing with NSE.

It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Letter of offer has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Letter of Offer; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

FILING

The Draft Letter of Offer had been filed with the SEBI for its observations as the size of the issue is more than Rs.5,000.00 Lakhs which requires issuer to file Draft Letter of Offer with SEBI. The Company had filed Draft Letter of Offer with the Stock Exchanges for obtaining in-principle approval.

SELLING RESTRICTIONS

The distribution of the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, Application Form, and the issue of Rights Shares, to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, or Application Form may come are required to inform themselves about and observe such restrictions.
We are making this Issue of Equity Shares on a rights basis to the Eligible Shareholders and will send/ dispatch the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form only to email addresses of such Eligible Shareholders who have provided an Indian address to our Company. 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 e-mail the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form, shall not be sent the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form. Further, the Letter of Offer will be provided, primarily through e-mail, by the Registrar to the Issue on behalf of our Company or the Lead Manager to the Eligible Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. Investors can also access the Letter of Offer, the Abridged Letter of Offer, and the Application Form from the websites of the Registrar to the Issue, our Company, the Lead Manager, and the Stock Exchanges. Accordingly, our Company, the Lead Manager and the Registrar to the Issue will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter, and the Application Form.

No action has been or will be taken to permit this Issue in any jurisdiction or the possession, circulation, or distribution of this the Letter of Offer, Abridged Letter of Offer, and Application Form 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.

Accordingly, the Rights Entitlements or Rights Shares may not be offered or sold, directly or indirectly, and this the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form must be treated as sent for information only and should not be copied, redistributed or acted upon for subscription to Rights Shares or the purchase of Rights Entitlements. Accordingly, persons receiving a copy of this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form should not, in connection with the issue of the Rights Entitlements or Rights Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations or would subject the Company, Lead Manager or their respective affiliates to any filing or registration requirement (other than in India). If this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and/or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Rights Shares referred to in this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form. Envelopes containing an Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Shares in this Issue must provide an Indian address.

No information in this Letter of Offer should be considered to be business, financial, legal, tax or investment advice.

Any person who makes an application to acquire Rights Entitlement and the Rights Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Entitlement and the Rights Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction, without requirement for our Company, the Lead Manager or their respective affiliates to make any filing or registration (other than in India).

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

The contents of this Letter of Offer and Abridged 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 buying or selling of Rights Shares or Rights Entitlements. As a result, each Investor should consult its own counsel, business advisor, and tax advisor as to the legal, business, tax, and related matters concerning the offer of Rights Shares or Rights Entitlements. In addition, neither our Company nor the Lead Manager nor any of their respective affiliates are making any representation to any offeree or purchaser of the Rights Shares or the Rights Entitlements regarding the legality of an investment in the Rights Shares or the Rights Entitlements by such offeree or purchaser under any applicable laws or regulations.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Shares have not been and will not be registered under the United States Securities Act, 1933, as amended, or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act, except in a transaction exempt from the registration requirements of the Securities Act. The Rights Entitlements and Rights Shares referred to in this Letter of Offer are being offered in India and in jurisdictions where such offer and sale of the Rights Shares and/ or Rights Entitlements are permitted under laws of such jurisdictions, but not in the United States. The offering to which this the Letter of Offer, and Abridged Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights.

Accordingly, this the Letter of Offer, the Abridged Letter of Offer, Entitlement Letter, and Application Form should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. No payments for subscribing for the Rights Shares shall be made from US bank accounts and all persons subscribing for the Rights Shares and wishing to hold such Rights Shares in registered form must provide an address for registration of the Rights Shares in India.

We, the Registrar to the Issue, the Lead Manager or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which:

a. **Does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorized to acquire the Rights Entitlements and the Rights Shares in compliance with all applicable laws and regulations;**

b. **Appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States;**

c. **Where a registered Indian address is not provided;**

d. **Where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements;**

And we shall not be bound to allot or issue any Rights Shares in respect of any such Application Form.

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

INVESTOR GRIEVANCES AND REDRESSAL SYSTEM

1. Mechanism for Redressal of Investor Grievances

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

Our Company has a Stakeholders Relationship Committee comprising of 3 (three), members of the said committee, which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of shareholders in relation to transfer of shares and effective exercise of voting rights. All investor grievances received by us have been handled by the Company Secretary and Compliance Officer.

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

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

2. Investor Grievances arising out of this Issue

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

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

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

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

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

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer of our Company for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Rights Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please refer to the section titled ***'Terms of the Issue'*** on 153 of this Letter of Offer.

The contact details of the Registrar to the Issue and the Company Secretary and Compliance Officer of our Company are as follows:

COMPANY SECRETARY AND COMPLIANCE OFFICER	REGISTRAR TO THE ISSUE
Ms. Mamta Bisht **Address:**9062/47, NECC House, Ram Bagh Road, Azad Market, New Delhi-110006, India. **Contact Details:** +91-11-23517516/19;	**PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED** **Address:** Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel East, Mumbai, Maharashtra 400011; **Contact Number:** +91 22 4961 4132

COMPANY SECRETARY AND COMPLIANCE OFFICER	REGISTRAR TO THE ISSUE
Email-ID: cs@neccgroup.com	**E-mail ID:** support@purvashare.com **Investor grievance e-mail:**support@purvashare.com **Website:** www.purvashare.com **Contact Person:** Ms. Deepali Dhuri **SEBI Registration Number:** INR000001112

TERMS OF THE ISSUE

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

Further, SEBI has pursuant to the SEBI Rights Issue Circular stated that in the event there are physical shareholders who have not been able to open a demat account pursuant to the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 or are unable to communicate their demat account details to our Company or the Registrar to the Issue *for credit of Rights Entitlements, such physical shareholders may be allowed to submit their Application. For more details, please see '**Application By Eligible Equity Shareholders Holding Equity Shares In Physical Form**' on page 168 of this Letter of Offer.*

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

IMPORTANT

1. Dispatch and availability of Issue materials

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

Investors can access the 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 Shares under applicable securities laws) on the websites of:

Access of Documents on the website of	URL of websites
Company	www.neccgroup.com
Registrar to the Issue	www.purvashare.com
Lead Manager	www.capitalsquare.in
BSE Limited	www.bseindia.com
NSE	www.nseindia.com

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

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

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

Accordingly, persons receiving a copy of this 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 Shares or the Rights Entitlements, distribute or send this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates or the Lead Manager or their respective affiliates to any filing or registration requirement (other than in India). If this 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 Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Rights Shares offered in the Issue will be deemed to have declared, represented, and warranted that such person is authorized to acquire the Rights Entitlements and the Rights Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or the Lead Managers or their respective affiliates to make any filing or registration (other than in India).

2. Process of making an Application in this Issue

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI - Rights Issue Circulars, and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA detailed under the Paragraph titled *'Procedure for Application through the ASBA Process'* on 164 of this Letter of Offer.

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

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

The Lead Managers, our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar to the Issue 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.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, please see the section entitled 'Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders' on page 155 of this Letter of Offer.

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

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

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, please see the paragraph titled 'Grounds for Technical Rejection' on page 171 of this Letter of Offer. Our Company, the Lead Manager, the Registrar to the Issue, and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI (ICDR) Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI (ICDR) Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, please see the section entitled *'**Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process**'* on page 166 of Letter of Offer.

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 Circulars, the credit of Rights Entitlements and Allotment of Rights Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

(i) The demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and

(ii) A demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to:

(a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or

(b) Equity Shares held in the account 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 to the Issue on the Record Date; or

(d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar to the Issue; or

(e) Credit of the Rights Entitlements returned/reversed/failed; or

(f) The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable

(g) Eligible Equity Shareholders who have not provided their Indian addresses.

Eligible Equity Shareholders, whose Rights Entitlements are credited in demat suspense escrow account opened by our Company, are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar to the Issue not later than 2 (Two) Working Days prior to the Issue Closing Date, *i.e.*, by Thursday, June 22, 2023 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account is active, details of which have been provided to the Company or the Registrar to the Issue, to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar to the Issue (i.e.,www.purvashare.com). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

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

Other important links and helpline

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

Particulars	Website Links
Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors	www.purvashare.com
Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Equity Shareholders	
Updation of Indian address/ e-mail address/ mobile number in the records maintained by the Registrar to the Issue or our Company	support@purvashare.com
Updation of demat account details by Eligible Equity Shareholders holding shares in physical form	

Renouncees

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

Basis for this Issue

The Rights Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date, i.e. Friday, June 02, 2023.

Rights Entitlements

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, i.e. Friday, June 02, 2023, you may be entitled to subscribe to the number of Rights Shares as set out in the Rights Entitlement Letter.

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

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue (i.e www. purvashare.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e. www.neccgroup.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 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 to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Issue not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar to the Issue (i.e. www.purvashare.com). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send/ dispatch the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Common Application Form only to Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Shares is permitted under laws of such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. For further details, please refer to the section titled ***'Notice to Overseas Investors'*** on page 12 of this Letter of Offer.

PRINCIPAL TERMS OF THIS ISSUE

Face Value	Each Rights Equity Share will have the face value of Rs.10.00/- (Rupees Ten Only).
Issue Price	Rs.18.00/- (Rupees Eighteen Only) per Rights Equity Share issued in 1 (One) Rights Entitlement, (i.e. Rs. 18.00/- (Rupees Eighteen Only) per Rights Equity Share, including a premium of Rs. 8.00/- (Rupees Eight) per Rights Share). On Application, Investors will have to pay Rs9.00/- (Rupees Nine Only) per Rights Share which constitutes 50.00% (Fifty Percent) of the Issue Price, and the balance Rs9.00/- (Rupees Nine Only) per Rights Share which constitutes 50.00% (Fifty Percent) of the Issue Price, will have to be paid, on one additional call as may be decided by the Board/ Rights Issue Committee of the Board from time to time.
Rights Entitlements Ratio	The Rights Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 9 (Nine) Rights Shares for every 10 (Ten) Equity Shares held by the Eligible Equity Shareholders as on the Record Date i.e., Friday, June 02, 2023.
Renunciation of Rights Entitlements	This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part. The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rules and other 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 way of On Market or through off-market transfer. For details, see '***Procedure for Renunciation of Rights Entitlements***' on page 165 of this Letter of Offer. 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 to the Issue or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.
Credit of Rights Entitlements in dematerialised account	In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights 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 dematerialized 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 to the Issue on the Record Date, i.e. Friday, June 02, 2023; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar to the Issue; or (e) credit of the Rights Entitlements

returned/reversed/failed; or (f) the ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable.

In this regard, our Company has made necessary arrangements with NSDL and CDSL for the credit of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is ISIN: INE553C20016. The said ISIN shall remain frozen (for debit) until the Issue Opening Date and shall be active for renouncement or transfer only during the Renunciation Period, i.e., from Wednesday, June 14, 2023 to Thursday, June 22, 2023 (both days inclusive). It is clarified that the Rights Entitlements shall not be available for transfer or trading post the Renunciation Period. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Equity Shareholders, whose Rights Entitlement are credited in demat suspense escrow account opened by our Company are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar to the Issue not later than two (2) Working Days prior to the Issue Closing Date, *i.e.*, by Thursday, June 22, 2023 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date i.e., Monday, June 26, 2023, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar to the Issue (i.e.www.purvashare.com). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar to the Issue after keying in their respective details along with other security control measures implemented thereat.

PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, *PER SE*, ENTITLE THE INVESTORS TO THE RIGHTS SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS SHARES ON OR BEFORE THE ISSUE CLOSING DATE I.E., TUESDAY, JUNE 27, 2023 AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, SEE '*PROCEDURE FOR APPLICATION*' ON PAGE 162 OF THIS LETTER OF OFFER.

Trading of the Rights Entitlements

In accordance with the SEBI Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on the Stock Exchanges under Rights Entitlement ISIN: INE553C20016. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. Investors shall be able to trade/ transfer their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The On Market Renunciation shall take place electronically on the secondary market platform of the Stock Exchanges on T+1 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is One Rights Entitlement.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, *i.e.*, from Wednesday, June 14, 2023 to Thursday, June 22, 2023 (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date. For details, see *'**Procedure for Renunciation of Rights Entitlements – On Market Renunciation**'* and *'**Procedure for Renunciation of Rights Entitlements – Off Market Renunciation**'* on page 165 of this Letter of Offer. Once the Rights Entitlements are credited to the demat account of the Renouncees, application in the Issue could be made until the Issue Closing Date. For details, see '***Procedure for Application***' on page 162 of this Letter of Offer.

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

Terms of Payment	Rs.18.00/- (Rupees Eighteen Only) per Rights Equity Share issued in 1 (One) Rights Entitlement, (i.e. Rs.18.00/- (Rupees Eighteen Only) per Rights Equity Share, including a premium of Rs. 8.00/- (Rupees Eight Only) per Rights Share). On Application, Investors will have to pay Rs.9.00/- (Rupees Nine Only) per Rights Share which constitutes 50.00% (Fifty Percent) of the Issue Price, and the balance Rs.9.00/- (Rupees Nine Only) per Rights Share which constitutes 50.00% (Fifty Percent) of the Issue Price, will have to be paid, on one additional call as may be decided by the Board/ Rights Issue Committee of the Board from time to time. Where an Applicant has applied for additional Rights Shares and is Allotted a lesser number of Rights Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The un-blocking of ASBA funds / refund of monies shall be completed within such period as prescribed under the SEBI (ICDR) Regulations. If there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay interest at 15% p.a. or such other rate as specified under applicable law from the expiry of such 15 days' period.
Fractional Entitlements	The Rights Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 9 (Nine Rights Shares for every 10 (Ten) Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than 10 (Ten) Equity Shares or is not in the multiple of 10 (Ten) Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored will be given preferential consideration for the Allotment of one (1) additional Rights Equity Share if they apply for additional Rights Shares over and above their Rights Entitlements, if any, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for. For example, if an Eligible Equity Shareholder holds 9 (Nine) Equity Shares, such Equity Shareholder will be entitled to 8 (Eight) Rights Equity Share and will also be given a preferential consideration for the Allotment of one (1) additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Shares, over and above his/ her Rights Entitlements, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for. Further, the Eligible Equity Shareholders holding less than 1 (One) Equity Shares shall have 'zero' entitlement for the Rights Shares. Such Eligible Equity Shareholders are entitled to apply for additional Rights Shares and will be given preference in the Allotment of one Rights Share, if such Eligible Equity Shareholders apply for additional Rights Shares, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favor of third parties.
Credit Rating	As this Issue is a rights issue of Rights Shares, there is no requirement of credit rating for this Issue.
Ranking	The Rights Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Common Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Rights 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 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.
Listing and trading of the Rights Shares to be issued pursuant to this Issue	Subject to receipt of the listing and trading approvals, the Rights Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights 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 Shares will be taken within such period prescribed under the SEBI (ICDR) Regulations. Our Company has received in-principle approval from the BSE Limited vide its letter bearing reference number DCS/RIGHT/CP/FIP/2468/2022-23 dated Thursday, August 04, 2022 and from NSE vide its letter bearing reference number NSE/LIST/31838 dated Monday, July 25, 2022 respectively. Our Company will apply to the Stock Exchanges for final approvals for the listing and trading of the Rights Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Shares or the price at which the Rights Shares offered under this Issue will trade after the listing thereof. For an applicable period, the trading of the Rights Shares would be suspended under the applicable law. The process of corporate action for crediting the fully paid-up Rights 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.

	The existing Equity Shares are listed and traded on BSE Limited (Scrip ID: 534615) and National Stock Exchange of India Limited (Symbol: NECCLTD) under the ISIN: INE553C01016. The Rights Shares shall be credited to a temporary RE ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Rights Shares shall be debited from such temporary RE ISIN and credited to the new ISIN for the Rights Shares and thereafter be available for trading and the temporary RE ISIN shall be permanently deactivated in the depository system of CDSL and NSDL. The listing and trading of the Rights 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 Exchanges, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/ blocked within four (4) days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Rights Shares, and if any such money is not refunded/ unblocked within four (4) days after our Company becomes liable to repay it, our Company and every director 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 Shares, please refer to the heading '***Terms of Payment***' at page 159 of this Letter of Offer.
Subscription to this Issue by our Promoters and our Promoter Group	For details of the intent and extent of subscription by our Promoter and the Promoter Group, please refer to the chapter titled '***Capital Structure – Intention and extent of participation by our Promoters and Promoter Group***' on page 53 of this Letter of Offer.
Rights of Holders of Rights Shares of our Company	Subject to applicable laws, Rights Equity Shareholders shall have the following rights: a) The right to receive dividend, if declared; b) The right to vote in person, or by proxy; c) The right to receive surplus on liquidation; d) The right to free transferability of Rights Shares; e) The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law; and f) Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association. Subject to applicable law and Articles of Association, holders of Rights Shares shall be entitled to the above rights in proportion to amount paid-up on such Rights Shares in this Issue

GENERAL TERMS OF THE ISSUE

Market Lot	The Rights Shares of our Company shall be tradable only in dematerialized form. The market lot for Rights Shares in dematerialised 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 the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Rights Shares offered in this Issue.
Nomination	Nomination facility is available in respect of the Rights Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Rights

	Shares to be Allotted in this Issue. Nominations registered with the respective Depository Participants of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.
Arrangements for Disposal of Odd Lots	The Rights Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be 1 (one) Rights Share and hence, no arrangements for disposal of odd lots are required.
Restrictions on transfer and transmission of shares and on their consolidation/splitting	There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to provisions of the SEBI (LODR) Regulations, with effect from April 1, 2019 and as amended vide SEBI Notification bearing No. SEBI/LAD-NRO/GN/2022/66 on January 24, 2022, the request for transfer of securities shall not be effected unless the securities are held in the dematerialized form with a depository. Provided further that transmission or transposition of securities held in physical or dematerialized form shall be effected only in dematerialized form
Notices	In accordance with the SEBI (ICDR) Regulations and the SEBI Rights Issue Circulars, our Company will send / dispatch the Letter of Offer, the Rights Entitlement Letter, Common Application Form and other issue materials ("**Issue Materials**") only to the Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Further, the Letter of Offer will be provided by the Registrar to the Issue on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in (i) one English language national daily newspaper with wide circulation; (ii) one Hindi language national daily newspaper with wide circulation; and (iii) one regional language daily newspaper with wide circulation, where our Registered Office is situated and/or, will be sent by post or electronic transmission or other permissible mode to the addresses of the Eligible Equity Shareholders provided to our Company. This Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Common 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 shares to non-resident shareholders including additional rights shares. Further, as per the Master Direction on Foreign Investment in India dated January 04, 2018 issued by the RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or 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 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 Shares and issue of Rights 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 to the Issue by email on support@purvashare.com or physically/postal means at the address of the Registrar to the Issue mentioned on the cover page of the Letter of Offer. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and the Lead Manager and our Company will not be responsible for any such allotments made by relying on such approvals. The Abridged Letter of Offer, the Rights Entitlement Letter and Common Application Form shall be sent/dispatched to the email addresses and Indian addresses of non-resident Eligible Equity Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company and are located in jurisdictions where the offer and sale of the Rights Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Common Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Shares under applicable securities laws) from the websites of the Registrar to the Issue, our Company and the Lead Manager and the Stock Exchanges. Our Board may at its absolute

discretion agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Rights Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to their patriation as are applicable to the original Equity Shares against which Rights Shares are issued on rights basis.

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

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. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, i.e. Friday, June 02, 2023 see '*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*' on page 168 of this Letter of Offer.

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

Common Application Form

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

In case of non-resident Eligible Equity Shareholders, the Common 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 Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions.

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

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

Access of Documents on the website of	URL of websites
Company	www.neccgroup.com
Registrar to the Issue	www.purvashare.com

Access of Documents on the website of	URL of websites
Lead Manager	www.capitalsquare.in
BSE Limited	www.bseindia.com
National Stock Exchange of India	www.nseindia.com

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue (*i.e.*,www.purvashare.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) and PAN. The link for the same shall also be available on the website of our Company (*i.e.*www.neccgroup.com).

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

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

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

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

Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Common Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see '*Grounds for Technical Rejection*' on page 171 of this Letter of Offer. Our Company, the Lead Manager, the Registrar to the Issue 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 166 of this Letter of Offer.

Options available to the Eligible Equity Shareholders

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

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

(i) Apply for its Rights Shares to the full extent of its Rights Entitlements; or

(ii) Apply for its Rights Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or

(iii) Apply for Rights Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or

(iv) Apply for its Rights Shares to the full extent of its Rights Entitlements and apply for additional Rights Shares; or

(v) Renounce its Rights Entitlements in full.

PROCEDURE FOR APPLICATION THROUGH ASBA PROCESS

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

Investors should ensure that they have correctly submitted the Common 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 Common 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 Common 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.

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

Acceptance of this Issue

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

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

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

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section *'**Application on Plain Paper under ASBA process**'* on page 166 of this Letter of Offer.

Additional Rights Shares

Investors are eligible to apply for additional Rights Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Shares under applicable law and they have applied for all the Rights Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Rights Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalized in consultation with the Designated Stock Exchange. Applications for additional Rights Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner prescribed under the section **'*Basis of Allotment*'** on page 176 of this Letter of Offer.

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

Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for additional Rights Shares.

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

PROCEDURE FOR RENUNCIATION OF RIGHTS ENTITLEMENTS

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

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

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

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: INE553C20016 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 one Rights Entitlement.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from Wednesday, June 14, 2023, to Thursday, June 22, 2023 (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: INE553C20016 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 under automatic order matching mechanism and on 'T+1 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.

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 Renouncees on or prior to the Issue Closing Date.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: INE553C20016, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

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

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

APPLICATION ON PLAIN PAPER UNDER ASBA PROCESS

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an application to subscribe to this Issue on plain paper, in case of non-receipt of Common 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.

Please note that the Eligible Equity Shareholders who are making the application on plain paper shall not been entitled to renounce their Rights Entitlements and should not utilize the Common Application Form for any purpose including renunciation even if it is received subsequently.

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

1. Name of our Company, being North Eastern Carrying Corporation Limited;
2. 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);
3. Registered Folio Number/ DP and Client ID No.;
4. Number of Equity Shares held as on Record Date;
5. Allotment option – only dematerialised form;
6. Number of Rights Shares entitled to;
7. Number of Rights Shares applied for within the Rights Entitlements;
8. Number of additional Rights Shares applied for, if any;
9. Total number of Rights Shares applied for;
10. The Issue Price for this Issue is Rs.18.00/- (Rupees Eighteen Only). On Application, Investors will have to pay Rs.9.00 /- (Rupees Nine Only) per Rights Share which constitutes 50.00% (Fifty Percent) of the Issue Price and the balance Rs.9.00 /- (Rupees Nine Only) per Rights Share which constitutes 50.00% (Fifty Percent) of the Issue Price, will have to be paid, on First and Final Call, as determined by the Board of Directors at its sole discretion, from time to time;
11. Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
12. 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;

13. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Shares applied for pursuant to this Issue;

14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;

15. 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);

16. In addition, all such Eligible Equity Shareholders are deemed to have accepted the following:

*"I/ We understand that neither the Rights Entitlements nor the Rights Shares have been, or will be, registered under the US Securities Act of 1933, as amended (the "**US Securities Act**"), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the "United States"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. I/ we understand the Rights Shares referred to in this application are being offered and sold in offshore transactions outside the United States in compliance with Regulation S under the US Securities Act ("**Regulation S**") to existing shareholders located in jurisdictions where such offer and sale of the Equity Shares is permitted under laws of such jurisdictions. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and eligible to subscribe for the Rights Shares under applicable securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar to the Issue, the Lead Manager or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar to the Issue, the Lead Manager or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and United States and ineligible to participate in this Issue under the securities laws of their jurisdiction.*

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

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

I/ We understand and agree that the Rights Entitlements and Rights 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 acknowledge that we, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

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

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

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

MODE OF PAYMENT

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

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

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

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

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

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

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 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 in this Issue are advised to furnish the details of their demat account to the Registrar to the Issue or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

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

To update respective email addresses/ mobile numbers in the records maintained by the Registrar to the Issue or our Company, Eligible Equity Shareholders should visit www.purvashare.com.

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

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date, i.e. Friday, June 02, 2023 and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

(a) The Eligible Equity Shareholders shall send a letter to the Registrar to the Issue containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar to the Issue no later than two Working Days prior to the Issue Closing Date;

(b) The Registrar to the Issue shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;

(c) The Eligible Equity Shareholders can access the Common Application Form from:

Access of Documents on the website of	URL of websites
Company	www.neccgroup.com
Registrar to the Issue	www.purvashare.com
Lead Manager	www.capitalsquare.in
BSE Limited	www.bseindia.com
National Stock Exchange of India	www.nseindia.com

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

(e) The Eligible Equity Shareholders shall, on or before the Issue Closing Date, submit the Common Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

PLEASE NOTE THAT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE, i.e. FRIDAY, JUNE 02, 2023 AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR TO THE ISSUE OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

ALLOTMENT OF THE RIGHTS SHARES IN DEMATERIALIZED FORM

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

GENERAL INSTRUCTIONS FOR INVESTORS

(a) Please read this Letter of Offer carefully to understand the Application process and applicable settlement process.

(b) Please read the instructions on the Common Application Form sent to you.

(c) The Common Application Form can be used by both the Eligible Equity Shareholders and the Renouncees.

(d) Application should be made only through the ASBA facility.

(e) Application should be complete in all respects. The Common Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Common Application Form are liable to be rejected. The Common Application Form must be filled in English.

(f) In case of non-receipt of Common Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section '***Application on Plain Paper under ASBA process***' on page 166 of this Letter of Offer.

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

(h) An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.

(i) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date for Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

(j) Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar to the Issue or the Lead Manager.

(k) In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Common Application Form.

(l) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, **Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Rights Shares pursuant to this Issue shall be made into the accounts of such Investors**. **Further, in case of Application in joint names, each of the joint Applicants should sign the Common Application Form.**

(m) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon.

(n) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.

(o) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Common Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.

(p) All communication in connection with Application for the Rights Shares, including any change in address of the Eligible Equity Shareholders should be addressed to the Registrar to the Issue prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Common Application Form number, as applicable. In case of any change in address of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar to the Issue in case of Eligible Equity Shareholders holding Equity Shares in physical form.

(q) Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, Applications made through 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.

(r) In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 02, 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.

(s) Investors are required to ensure that the number of Rights Shares applied for by them do not exceed the prescribed limits under the applicable law.

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

Do's:

(a) Ensure that the Common Application Form and necessary details are filled in.

(b) Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act.

(c) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ***('Demographic Details')*** are updated, true and correct, in all respects.

(d) Investors should provide correct DP ID and client ID/ folio number while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar to the Issue, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Manager, SCSBs or the Registrar to the Issue will not be liable for any such rejections.

(e) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Shares will be Allotted in the dematerialized form only.

(f) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.

(g) Ensure that there are sufficient funds (equal to {number of Rights Shares (including additional Rights Shares) applied for} X {Application Money of Rights Euity Shares}) available in ASBA Account mentioned in the Common Application Form before submitting the Application to the respective Designated Branch of the SCSB.

(h) Ensure that you have authorised the SCSB for blocking funds equivalent to the amount payable on application mentioned in the Common Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.

(i) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.

(j) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Common Application Form in physical form or plain paper Application.

(k) Ensure that the name(s) given in the Common Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Common Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Common Application Form and the Rights Entitlement Letter.

Dont's:

(a) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.

(b) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.

(c) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.

(d) Do not pay the Application Money in cash, by money order, pay order or postal order.

(e) Do not submit multiple Applications.

(f) Do not submit the Common Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or *vice versa*.

(g) Do not send your physical Application to the Lead Manager, the Registrar to the Issue, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.

(h) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process.

Grounds for Technical Rejection

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

(a) DP ID and Client ID mentioned in Application not matching with the DP ID and Client ID records available with the Registrar to the Issue.

(b) Sending an Application to the Lead Manager, Registrar to the Issue, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company.

(c) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.

(d) Funds in the ASBA Account whose details are mentioned in the Common Application Form having been frozen pursuant to regulatory orders.

(e) Account holder not signing the Application or declaration mentioned therein.

(f) Submission of more than one Common Application Form for Rights Entitlements available in a particular demat account.

(g) Multiple Common Application Forms, including cases where an Investor submits Common Application Forms along with a plain paper Application.

(h) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).

(i) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories.

(j) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.

(k) Common Application Forms which are not submitted by the Investors within the time periods prescribed in the Common Application Form and the Letter of Offer.

(l) Physical Common Application Forms not duly signed by the sole or joint Investors.

(m) Common Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.

(n) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.

(o) Applications which: (i) does not include the certifications set out in the Common Application Form; (ii) appears to us or our agents to have been executed in or dispatched from a Restricted Jurisdiction; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Common Application Form is incomplete or acceptance of such Common Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Shares in respect of any such Common Application Form.

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

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

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

WHICH THEY APPEAR IN THE COMMON APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Common Application Form or the plain paper Applications, as the case may be, the Registrar to the Issue will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

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

By signing the Common Application Forms, the Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, 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 to the Issue or Demographic Details received from the Depositories. The Registrar to the Issue will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights 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 to the Issue or the Lead Manager shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.

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

MODES OF PAYMENT

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

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

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

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

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

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

Mode of payment for Resident Investors

(a) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights 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 Shares (including additional Rights Shares) applied for} X {Application Money of Rights Shares}) available in ASBA Account mentioned in the Common Application Form before submitting the Application to the respective Designated Branch of the SCSB.

(d) Ensure that you have authorised the SCSB for blocking funds equivalent to the amount payable on application mentioned in the Common Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.

(e) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.

(f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Common Application Form in physical form or plain paper Application.

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

Mode of payment for Non-Resident Investors

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

1. Individual non-resident Indian Applicants who are permitted to subscribe to Rights Shares by applicable local securities laws can obtain Common Application Forms on the websites of the Registrar to the Issue, our Company and the Lead Manager.

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

2. Common Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Shares may be restricted by applicable securities laws.

3. Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI.

Notes:

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

2. In case Rights Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Shares cannot be remitted outside India.

3. In case of an Common Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.

4. Common Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.

5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.

6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Rights Shares.

Multiple Applications

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see ***'Procedure for Applications by Mutual Funds'*** on page 180 of this Letter of Offer.

In cases where multiple Common Application Forms are submitted, including cases where an Investor submits Common Application Forms along with a plain paper Application or multiple plain paper Applications, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoters or members of Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in ***'Capital Structure – Intention and extent of participation by our Promoters and Promoter Group'*** on page 53 of this Letter of Offer.

Last date for Application

The last date for submission of the duly filled in the Common Application Form or a plain paper Application is Tuesday, June 27, 2023, *i.e.*, Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Common Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Rights Shares hereby offered, as provided under the paragraph titled ***'Basis of Allotment'*** on page176 of this Letter of Offer.

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

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

Withdrawal of Application

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

Issue Schedule

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	Tuesday, June 13, 2023
ISSUE OPENING DATE	Wednesday, June 14, 2023
LAST DATE FOR ON MARKET RENUNCIATION*	Thursday, June 22, 2023
ISSUE CLOSING DATE#	Tuesday, June 27, 2023
FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	Friday, July 07, 2023
DATE OF ALLOTMENT (ON OR ABOUT)	Monday, July 10, 2023
DATE OF CREDIT (ON OR ABOUT)	Tuesday, July 11, 2023
DATE OF LISTING (ON OR ABOUT)	Wednesday, July 12, 2023

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

#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, i.e. Tuesday, June 27, 2023.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, i.e. Friday, June 02, 2023, have not provided the details of their demat accounts to our Company or to the Registrar to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Issue not later than two (2) Working Days prior to the Issue Closing Date, *i.e.*, Thursday, June 22, 2023 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 Monday, June 26, 2023.

For details, please see the section titled **'*General Information - Issue Schedule*'** on page 49 of this Letter of Offer.

BASIS OF ALLOTMENT

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Common Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board or duly authorized committee will proceed to Allot the Rights Shares in the following order of priority:

(a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Shares renounced in their favour, in full or in part.

(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 Share each if they apply for additional Rights Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Shares after allotment under (a) above. If number of Rights Shares required for Allotment under this head are more than the number of Rights Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.

(c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Shares offered to them as part of this Issue, have also applied for additional Rights Shares. The Allotment of such additional Rights Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, i.e. Friday, June 02, 2023, provided there are any unsubscribed Rights Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Shares will be at the sole discretion of our Board or our duly authorized committee 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 Shares renounced in their favour, have applied for additional Rights Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

(e) Allotment to any other person, that our Board or a duly authorized committee may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board or a duly authorized committee 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 to the Issue shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;

2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and

3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, refund intimations (or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them; along with crediting the Allotted Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of on or before T+1 day (T: Basis of allotment day). In case of failure to do so, our Company shall pay interest at 15% p.a. or such other rate as specified under applicable law from the expiry of such 15 days' period.

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

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

Where an Applicant has applied for additional Equity Shares in the Issue and is Allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay interest at 15% p.a. as specified under applicable law from the expiry of such 15 days' period.

PAYMENT OF REFUND

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

(a) Unblocking amounts blocked using ASBA facility.

(b) NACH – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centers specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR Code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centers where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

(c) 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 the Issue to the Capital to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

(d) Direct Credit – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.

(e) RTGS – If the refund amount exceeds Rs.2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Common Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.

(f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.

(g) Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

Refund payment to non-residents

The Application Money will be unblocked in the FCNR/NRE Account of the non-resident Applicants, details of which were provided in the Common Application Form.

Allotment Advice or Demat Credit of Securities

The demat credit of securities to the respective beneficiary accounts or the demat suspense account (in case of credit of the Rights Shares returned/ reversed/ failed) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Receipt of the Rights Shares in Dematerialized Form

PLEASE NOTE THAT THE RIGHTS 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 TO THE ISSUE AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS WHERE THE CREDIT OF THE RIGHTS SHARES RETURNED/REVERSED/FAILED.

Investors shall be Allotted the Rights Shares in dematerialized (electronic) form. Our Company has signed an agreement dated November 30, 2011with NSDL and an agreement dated October 25, 2011 with CDSL which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Shares in this Issue in the dematerialized form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.

2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.

3. The responsibility for correctness of information filled in the Common Application Form *vis-a-vis* such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Common Application Form should be the same as registered with the Investor's depository participant.

4. If incomplete or incorrect beneficiary account details are given in the Common Application Form, the Investor will not get any Rights Shares and the Common Application Form will be rejected.

5. The Rights Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Common Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, *etc*.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar to the Issue but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Shares to the Applicant's depository account.

6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar to the Issue, by email and, if the printing is feasible, through physical dispatch.

7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates (*i.e.*, 100%).

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the

investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

(a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

Procedure for Applications by AIFs, FVCIs and VCFs

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centers where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India ("**OCI**") may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, *inter alia*, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporated in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights 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 to the Issue about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Procedure for Applications by Systemically Important Non-Banking Financial Companies ("NBFC-SI")

In case of an application made by NBFC-SI registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited consolidated financial statements is required to be attached to the application.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least Rs.1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending upto three times of such amount. In case the fraud involves (i) an amount which is less than Rs.1 million or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to Rs.5 million or with both.

Payment by stock invest

In terms of the RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 05, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

DISPOSAL OF APPLICATION AND APPLICATION MONEY

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Common Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Common Application Form would generate an electronic acknowledgment to the Eligible Equity Shareholders upon submission of the Application.

Our Board or our duly authorized committee reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at 15% p.a. or such other rate as specified under applicable law from the expiry of such 15 days' period.

For further instructions, please read the Common Application Form carefully.

UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

A. All monies received out of this Issue shall be transferred to a separate bank account;

B. Details of all monies utilized out of this Issue referred to under (A) shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had been utilized; and

C. Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

1) The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.

2) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken within the time limit specified by SEBI.

3) The funds required for making refunds to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company.

4) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 (Fifteen) days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.

5) In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.

6) Adequate arrangements shall be made to collect all ASBA Applications.

7) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

MINIMUM SUBSCRIPTION

The Promoters of our Company through their letters dated Tuesday, July 05, 2022, Friday July 08, 2022 and Monday, July 11, 2022, have confirmed that they intend to subscribe in part or to the full extent of their Rights Entitlement and to the extent of unsubscribed portion (if any) of this Issue and that they shall not renounce their Rights Entitlements except within the Promoter Group, in accordance with the provisions of Regulation 86 of the SEBI (ICDR) Regulations.

The objects of the Issue involve Construction and Development of Warehouse and general corporate purposes. Further, our Promoters have undertaken that they will subscribe to the full extent of their Rights Entitlements and that they shall not renounce their Rights Entitlements (except to the extent of renunciation by any of them in favour of any other Promoter or member of the Promoter Group) subject to the aggregate shareholding of our Promoters and Promoter Group being compliant with the minimum public shareholding requirements under the SCRR and the SEBI (LODR) Regulations.

IMPORTANT

1. Please read the Letter of Offer carefully before taking any action. The instructions contained in the Common Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.

2. All enquiries in connection with the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Common Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Common Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Common Application Form and super scribed "North Eastern Carrying Corporation Limited – Rights Issue" on the envelope and postmarked in India or in the email) to the Registrar to the Issue at the following address:

PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED
Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel East, Mumbai- 400011, Maharashtra, India
Contact Details: + 91-22-4961 4132
Website: www.purvashare.com
E-mail ID: support@purvashare.com
Investor grievance e-mail: support@purvashare.com
Contact Person: Ms. Deepali Dhuri
SEBI Registration Number: INR000001112

3. 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 to the Issue i.e., www.purvashare.com; Further, helpline numbers provided by the Registrar to the Issue for guidance on the Application process and resolution of difficulties are 022 - 4961 4132.

4. This Issue will remain open for a minimum 7 (Seven) days. However, our Board or our duly authorized committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

There are two routes through which foreign investors may invest in India. One is the 'automatic route', where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the "government route", where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise way such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 **('FDI Circular 2020')**, which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that:

1. The activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI (SAST) Regulations;

2. The non- resident shareholding is within the sectoral limits under the FDI Policy; and

3. The pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid to make any investment in the Issue.

The Lead Manager to the Issue and our Company will not be responsible for any allotments made by relying on such approvals. Please also note that pursuant to Circular no. 14 dated September 16, 2003, issued by RBI, Overseas Corporate Bodies have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as a incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company and the Lead Manager to the Issue are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for does not exceed the applicable limits under laws or regulations.

Please note that the Rights Shares applied for under this Issue can be allotted only in dematerialised 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 to the Issue at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder, or (c) demat suspense account where the credit of the Rights Entitlements returned/reversed/failed.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than 2 (Two) years prior to the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. The copies of these contracts and also the documents for inspection referred to hereunder, would be available on the website of the Company at www.neccgroup.com from the date of this Letter of Offer until the Issue Closing Date.

MATERIAL CONTRACTS FOR THE ISSUE

1. Issue Agreement dated Wednesday, July 06, 2022, entered between our Company and the Lead Manager
2. Registrar Agreement dated Tuesday, July 12, 2022, between our Company and the Registrar to the Issue;
3. Bankers to the Issue Agreement dated Saturday, May 20, 2023 among our Company, the Lead Manager, the Registrar to the Issue and the Bankers to the Issue;

MATERIAL DOCUMENTS IN RELATION TO THE ISSUE

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company;
2. Certificate of incorporation and fresh certificate of incorporation pursuant to change of name of our Company;
3. Copies of the annual report of our Company for the last 3 (Three) Financial Years for the Financial Year ending March 31, 2022, March 31, 2021; March 31, 2020
4. Resolution of our Board of Directors dated Tuesday, July 05, 2022, approving the Issue;
5. Resolution of our Board of Directors dated Thursday, July 14, 2022, approving the Draft Letter of Offer;
6. Resolution of our Board of Directors dated Tuesday, May 16, 2023, finalizing the terms of the Issue including Issue Price and the Rights Entitlement Ratio;
7. Resolution of our Board of Directors dated Wednesday, May 24, 2023, approving the Letter of Offer;
8. Consents of our Directors, Lead Manager, Bankers to our Company, Bankers to the Issue, and the Registrar to the Issue for inclusion of their names in the Letter of Offer to act in their respective capacities;
9. Report on Statement of Special Tax Benefits dated Saturday, May 20, 2023, for our Company from the Statutory Auditors of our Company;
10. Materiality Policy, Business Succession Policy and Data Security Policy of the Company.
11. SEBI Observation letter bearing reference number 'SEBI/NRO/CFD/DIL/367/1/2023' dated Wednesday, January 04, 2023.
12. In-principle approval issued by BSE Limited dated Thursday, August 04, 2022;
13. In-principle approval issued by NSE dated Monday, July 25, 2022;
14. Due diligence certificate dated Thursday, July 14, 2022, addressed to SEBI from the Lead Manager

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without notice to the Eligible Equity Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government, and the regulations or guidelines issued by SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, Securities Contracts (Regulation) Rules, 1957, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-
Mr. Manoj Kumar Jain
Independent Director

Date: Wednesday, May 24, 2023
Place: Delhi

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government, and the regulations or guidelines issued by SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, Securities Contracts (Regulation) Rules, 1957, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-
Mr. Mohak Jain
Independent Director

Date: Wednesday, May 24, 2023
Place: Delhi

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government, and the regulations or guidelines issued by SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, Securities Contracts (Regulation) Rules, 1957, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-
Mr. Utsav Jain
Independent Director

Date: Wednesday, May 24, 2023
Place: Delhi

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government, and the regulations or guidelines issued by SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, Securities Contracts (Regulation) Rules, 1957, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-
Mr. Saurav Upadhyay
Independent Director

Date: Wednesday, May 24, 2023
Place: Delhi

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government, and the regulations or guidelines issued by SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, Securities Contracts (Regulation) Rules, 1957, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-
Mr. Ashutosh Kumar Dubey
Independent Director

Date: Wednesday, May 24, 2023
Place: Delhi

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government, and the regulations or guidelines issued by SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, Securities Contracts (Regulation) Rules, 1957, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-
Ms. Priya Singh
Independent Director

Date: Wednesday, May 24, 2023
Place: Delhi

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government, and the regulations or guidelines issued by SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, Securities Contracts (Regulation) Rules, 1957, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-
Mr. Sunil Kumar Jain
Managing Director

Date: Wednesday, May 24, 2023
Place: Delhi

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government, and the regulations or guidelines issued by SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, Securities Contracts (Regulation) Rules, 1957, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-
Mr. Utkarsh Jain
Executive Director

Date: Wednesday, May 24, 2023
Place: Delhi