



**CHANDI STEEL**

**INDUSTRIES LIMITED**

**Corporate Identity Number:**

L13100WB1978PLC031670

**Registered Office:** 3, Bentick

Street, Kolkata West Bengal -

700001; **Telephone No.:** (033)

22489808; **Fax No.:** (033)

22430021; **Works Office:** 16,

Belur Road, Liluah, Howrah-

711204; **Telephone No.:** (033)

26556779, (033) 26556667;

**Contact Person:** Ms. Seema

Chowdhury (Company Secretary

& Compliance Officer); **E-mail id:**

[chandisteelindustries@gmail.com](mailto:chandisteelindustries@gmail.com);

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

**ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER FOR THE ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY ONLY**

This is an Abridged Letter of Offer containing salient features of the Letter of Offer dated Wednesday, April 19, 2023 ('Letter of Offer') which is available on the websites of the Registrar, our Company, The Calcutta Stock Exchange Limited ('CSE'), i.e., the designated stock exchange where the Equity Shares of our Company are listed, and BSE Limited, as the Company has sought the permission to use the bidding platform of BSE Limited i.e., Internet based-Book Building Software (iBBS) for the Rights Issue. You are encouraged to read further details available in the Letter of Offer. The capitalized terms not specifically defined herein shall have the same meaning as ascribed to them in the Letter of Offer.

**THIS ABRIDGED LETTER OF OFFER CONTAINS 11 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.**

Our Company has made available on the Registrar's website at [www.mdpl.in](http://www.mdpl.in), and the Company's website at [www.chandisteel.com](http://www.chandisteel.com) this Abridged Letter of Offer and the Application Form to the Eligible Equity Shareholders who have provided their Indian address to the Company. You may also download the Letter of Offer from the websites of the Securities and Exchange Board of India ('SEBI') at [www.sebi.gov.in](http://www.sebi.gov.in), BSE Limited at [www.bseindia.com](http://www.bseindia.com), CSE at [www.cse-india.com](http://www.cse-india.com), respectively. The Application Form is also available on the respective websites of the Company, Registrar, Lead Manager, BSE Limited, and CSE.

**PROMOTER OF THE COMPANY: MR. RAJIV JAJODIA**

**DETAILS OF THE OFFER**

Type of Issue	Rights Issue Size (in number)	Rights Issue Size	Issue under SEBI ICDR Regulations
Rights Issue	21070000 (Two Crores Ten Lakhs Seventy Thousand)	₹ 21,07,00,000/- (Rupees Twenty-One Crores Seven Lakhs Only)	Chapter III of SEBI ICDR Regulations

**ISSUE DETAILS, LISTING AND PROCEDURE**

**RIGHTS ISSUE OF UP TO 21070000 (TWO CRORES TEN LAKHS SEVENTY THOUSAND) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10/- (RUPEES TEN ONLY) EACH OF OUR COMPANY (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹ 10/- (RUPEES TEN ONLY) PER EQUITY SHARE FOR AN AMOUNT UPTO ₹ 21,07,00,000/- (RUPEES TWENTY-ONE CRORES SEVEN LAKHS ONLY) ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 2 (TWO) RIGHT SHARES FOR EVERY 1 (ONE) FULLY PAID-UP EQUITY SHARE HELD BY SUCH ELIGIBLE SHAREHOLDER AS ON FRIDAY, APRIL 07, 2023, BEING THE RECORD DATE ('ISSUE'). THE ISSUE PRICE IS AT PAR WITH THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, PLEASE REFER TO "TERMS OF THE ISSUE" BEGINNING ON PAGE 115 OF THE LETTER OF OFFER.**

*\*ASSUMING FULL SUBSCRIPTION.*

**Listing Details:** The existing Equity Shares of our Company are listed on the CSE, however there is no trading on CSE, kindly refer to the Risk Factor '*Our Company is currently listed only on the CSE, which does not have an active on-line market for trading of these Equity Shares and hence no benefit of listing and trading shall be available for the shareholders of the Company*' beginning on page no. 18 of the Letter of Offer. Our Company has received in-principle approval from CSE for listing of the Right Shares pursuant to its letter reference number 'CSE/LD/15772/2023' dated Monday, February 13, 2023. Since the trading platform of CSE is not functional, the Company shall be using the bidding platform of BSE Limited i.e., Internet based-Book Building Software (iBBS) for the Rights Issue. Hence, Applicants desirous of applying shall use the ASBA platform of BSE Limited for applying in the Issue. Please note that the Equity Shares being issued in the Issue shall not be listed on BSE Limited.

Our Company will make application to CSE 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, the Designated Stock Exchange is CSE. However, there shall not be any active or sustained trading in the Right Shares after the listing thereof. The procedures for listing and trading of Right Shares shall be completed within 7 (Seven) Working Days from the date of finalization of the Basis of Allotment.

**Procedure:** If you wish to know about processes and procedures applicable to Rights Issues, you may refer section titled '*Terms of the Issue*' beginning on page 115 of the Letter of Offer. You may also download the Letter of Offer from the website of the Company, SEBI, BSE, CSE, Lead Manager and the Registrar. You can also request the Registrar to the Issue to provide a hard copy of Letter of Offer.

## ELIGIBILITY FOR THE ISSUE

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed only on the CSE. Our Company is eligible to offer Rights Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations.

**Compliance of Part B of Schedule VI of the SEBI ICDR Regulations:** As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations and given that the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations are not applicable to our Company, the disclosures in the Letter of Offer are in terms of Clause (4) of Part B of Schedule VI of the SEBI ICDR Regulations.

## MINIMUM SUBSCRIPTION

In accordance with Regulation 86(1) of the SEBI ICDR Regulations, our Company is not required to achieve minimum subscription for the Rights Issue on account of the following reason: 1. Objects of the Rights Issue are for a purpose which is other than financing a capital expenditure for a project; and 2. Our Promoters and members of our Promoter Group vide their letter (Subscription Letter) dated Thursday, 29<sup>th</sup> September, 2022 have agreed that they have the intention to subscribe, to the full extent of their Rights Entitlements in the Issue, except to the extent of renunciation by certain members of Promoters and Promoter Group of their Rights Entitlement in favor other members of Promoter and Promoter Group in part or full. Further, our Promoters and Promoter Group reserve the right to apply for, and subscribe to, additional Rights Equity Shares, over and above their Rights Entitlements (including unsubscribed portion of the Issue, if any), subject to compliance with the minimum public shareholding requirements, under applicable law, pursuant to this Issue. Any participation by our Promoters and Promoter Group, over and above their Rights Entitlements, shall not result in a breach of the minimum public shareholding requirements prescribed under applicable law. Accordingly, in terms of Regulation 86(1) of the SEBI ICDR Regulations, the requirement of minimum subscription is not applicable to the Issue.

## INDICATIVE TIMETABLE

<b>Issue Opening Date</b>	Friday, May 05, 2023	<b>Date of Allotment (on or about)</b>	Friday, May 26, 2023
<b>Last Date for Off- Market Renunciation*</b>	Monday, May 15, 2023	<b>Date of credit of Rights Equity Shares to demat account of Allottees (on or about)</b>	Tuesday May 30, 2023
<b>Issue Closing Date<sup>#</sup></b>	Friday, May 19, 2023		
<b>Finalization of Basis of Allotment (on or about)</b>	Friday, May 26, 2023	<b>Date of listing/ trading (on or about)</b>	Thursday June 01, 2023

*\*The Equity Shares of our Company are exclusively listed on CSE. Since the trading platform of CSE is not functional, the Applicants shall not be able to deal in the Rights Entitlements using the secondary market platform of CSE. The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part through an off-market transfer, during the Renunciation Period. Such renunciation shall result in renouncement of the Right Shares. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. Eligible 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.*

## NOTICE TO INVESTORS

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and in accordance with the SEBI ICDR Regulations, our Company will send / dispatch the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter, any other issue material (collectively, '**Issue Materials**') only to the Eligible Equity Shareholders who have provided Indian address and who are located in jurisdictions where the offer and sale of the Rights Entitlements and the Rights Shares are 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 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 or make a special request in this regard, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any Issue Materials. Investors can also access the Letter of Offer, the Abridged Letter of Offer, and the Application Form from the websites of the Registrar, Lead Manager, our Company, BSE and CSE. Our Company shall also endeavor to dispatch physical copies of the Issue Materials to Eligible Equity Shareholders who have provided an Indian address to our Company. Our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials.

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 OF 1933, AS AMENDED (THE '**US SECURITIES ACT**'), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR THE TERRITORIES OR POSSESSIONS THEREOF (THE '**UNITED STATES**' OR '**U.S.**'), EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND RIGHTS SHARES REFERRED TO IN THE LETTER OF OFFER ARE BEING OFFERED AND SOLD IN OFFSHORE TRANSACTIONS OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATIONS UNDER THE US SECURITIES ACT ('**REGULATIONS**') TO EXISTING SHAREHOLDERS LOCATED IN JURISDICTIONS WHERE SUCH OFFER AND SALE OF THE RIGHTS

SHARES AND/ OR RIGHTS ENTITLEMENTS ARE PERMITTED UNDER LAWS OF SUCH JURISDICTIONS. THE OFFERING TO WHICH THE LETTER OF OFFER RELATES 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 OR TRANSFER ANY OF THE SAID SECURITIES. ACCORDINGLY, YOU SHOULD NOT FORWARD OR TRANSMIT THE LETTER OF OFFER IN OR INTO THE UNITED STATES AT ANY TIME.

### GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of the Letter of Offer.

**Specific attention of the investors is invited to the statement of the "Risk Factors" beginning on page 5 of this Abridged Letter of Offer before making an investment in this Issue.**

<p><b>Name of Lead Manager to the Issue and contact details</b></p> 	<p><b>VC Corporate Advisors Private Limited</b>  <b>CIN:</b> U67120WB2005PTC106051  <b>SEBI REGN. No.:</b> INM000011096  <b>Validity of Registration:</b> Permanent  <b>Contact Person:</b> Ms. Urvi Belani/ Mr. Premjeet Singh;  <b>Address:</b> 31, Ganesh Chandra Avenue, 2<sup>nd</sup> Floor, Suite No.-2C, Kolkata- 700 013;  <b>Tel. No.:</b> (033) 2225 3940;  <b>E-mail Id:</b> <a href="mailto:mail@vccorporate.com">mail@vccorporate.com</a>;  <b>Investor Grievance e-mail id:</b> <a href="mailto:mail@vccorporate.com">mail@vccorporate.com</a>;  <b>Website:</b> <a href="http://www.vccorporate.com">www.vccorporate.com</a></p>
<p><b>Name of Registrar to the Company, to the Issue and contact details</b></p> 	<p><b>Maheshwari Datamatics Private Limited</b>  <b>CIN:</b> U20221WB1982PTC034886  <b>SEBI REGN. No.:</b> INR000000353  <b>Validity of Registration:</b> Permanent  <b>Contact Person:</b> Mr. Ravi Bahl  <b>Address:</b> 23, R. N. Mukherjee Road, 5<sup>th</sup> Floor, Kolkata – 700 001,  <b>Tel. No.:</b> (033) 2248 2248;  <b>Fax No.:</b> (033) 2248 4787;  <b>Email Id:</b> <a href="mailto:mdpldc@yahoo.com">mdpldc@yahoo.com</a>;  <b>Investor Grievance e-mail id:</b> <a href="mailto:mdpldc@yahoo.com">mdpldc@yahoo.com</a>;  <b>Website:</b> <a href="http://www.mdpl.in">www.mdpl.in</a></p>
<p><b>Name of Statutory Auditor</b></p>	<p><b>JHS &amp; Associates LLP</b>  Chartered Accountants  <b>Firm Registration No.:</b> 133288W / W100099  <b>Address:</b> Suite No. 402, 4<sup>th</sup> Floor, Vardaan Market Complex, 25A, Camac Street, Kolkata - 700 016  <b>Tel. No.:</b> (033) 4062 9014  <b>Email:</b> <a href="mailto:sharad.mohata@jhsassociates.in">sharad.mohata@jhsassociates.in</a>  <b>Website:</b> <a href="http://www.jhsassociates.in">www.jhsassociates.in</a></p>
<p><b>Self-Certified Syndicate Banks ("SCSBs")</b></p>	<p>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 <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> 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.</p>
<p><b>Banker to the Issue</b></p>	<p><b>ICICI Bank Limited</b>  <b>CIN:</b> L65190GJ1994PLC021012  <b>SEBI Regn. No.:</b> INBI00000004  <b>Address:</b> Capital Markets Division, 5<sup>th</sup> Floor, Backbay Reclamation, Churchgate, Mumbai—400020  <b>Tel. No.:</b> (022) 6681 8911/ 923/ 924  <b>Email:</b> <a href="mailto:sagar.welekar@icicibank.com">sagar.welekar@icicibank.com</a>/<a href="mailto:ipoemg@icicibank.com">ipoemg@icicibank.com</a>  <b>Contact Person:</b> Mr. Sagar Welekar</p>

## 1. SUMMARY OF THE COMPANY'S BUSINESS:

Our Company was originally incorporated as a Private Limited Company under the Companies Act, 1956 in the name of "Chandi Steel Industries Private Limited" vide a certificate of incorporation dated September 09, 1978 issued by the Registrar of Companies, West Bengal. The name of the Company was subsequently changed to its present name vide a special resolution passed by the shareholders of the Company under Section 44(2)(b) of the Companies Act, 1956 and a fresh certificate of Incorporation consequent upon change of name was issued on August 18, 2003 by the Registrar of Companies, West Bengal. The CIN of the Company is L13100WB1978PLC031670. The Company made its maiden public issue in the year 2003 and got its equity shares listed and traded at the Calcutta Stock Exchange Limited on 16.12.2003 and 29.01.2004, respectively, bearing Scrip Code '10013341' and ISIN 'INE204G01017'.

The Company is now emerging as one of the leader for manufacturing of Cathode Collector Bar, Anode Bar, Copper Inserted Cathode Bar Assembly, Anode Stub and Grinding Media Rod for the aluminum, mineral and mining industry. We are one of the leading manufacturers of forging and engineering qualify alloy and non-alloy steel Rounds, Flats, and Squares. Our manufacturing unit (i.e., works office) is located in Liluah of Howrah District of West Bengal, India, with an installed capacity of 60,000 Metric Tonnes per annum. Our flawless inspection and testing facilities have made us one of most reliable suppliers in the industry. The in-house testing & machining facilities also help us to maintain close tolerance and provide better consumption to industry. We believe in quality and the customers believe in us.

For further details, please refer to the chapter titled 'Business Overview' beginning on page 61 of the Letter of Offer.

## 2. SUMMARY OF OBJECTS OF THE ISSUE AND MEANS OF FINANCE:

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

Particulars	Amount (In ₹)
Gross Proceeds from the Issue#	21,07,00,000.00
Less: Estimated Issue related Expenses	26,00,000.00
<b>Net Proceeds from the Issue#</b>	<b>20,81,00,000.00</b>

# assuming full subscription and allotment.

\*The Issue size will not exceed ₹ 21,07,00,000/- (Rupees Twenty-One Crores Seven Lakhs Only). If there is any reduction in the amount on account of or at the time of finalization of Issue Price and Rights Entitlements Ratio, the same will be adjusted against General Corporate Purpose.

The Net Proceeds (gross proceeds less issue expenses) are proposed to be used in accordance with the details provided in the following table:

Particulars	Amount (In ₹)
Repayment of unsecured loans availed by the Company	5,00,00,000.00
To meet the working capital requirement	10,81,00,000.00
For general corporate purposes	5,00,00,000.00
<b>Total Net Proceeds</b>	<b>20,81,00,000.00</b>

The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds. For further details, please see chapter titled "Objects of the Issue" beginning on page 44 of the Letter of Offer.

## 3. MEANS OF FINANCE:

The fund requirements set out in the Objects of the Issue are proposed to be met entirely from the Proceeds of the Rights Issue and internal accruals. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance under Regulation 62(1)(c) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue as required under SEBI ICDR Regulations.

For further details, refer chapter titled "Object of the Issue" on page 44 of the Letter of Offer.

## 4. NAME OF MONITORING AGENCY:

Since the issue size is less than ₹ 10,000 lakhs, there is no requirement to appoint the monitoring agency to monitor the utilization of the Net Proceeds in terms of Regulation 82 of the SEBI ICDR Regulations by our Company.

## 5. SHAREHOLDING PATTERN:

The shareholding pattern of our Company as on March 31, 2023, can be accessed on the website of our Company at <https://chandisteel.com/investors/shareholding-pattern/> and on page 40 of the Letter of Offer.



## 6. BOARD OF DIRECTORS:

Sr. No.	Name	Designation	Other Directorships
1.	Mr. Devendra Prasad Jajodia	Chairman and Managing Director	Public Limited Entities: • Hari Management Limited Private Limited Entities: • K D Jajodia Steel Industries Private Limited • Jai Salasar Balaji Industries Private Limited
2.	Mr. Harsh Jajodia	Whole-time Director.	Public Limited Entities: Nil Private Limited Entities: Nil
3.	Mr. Susanta Sarkar	Professional Executive Director	Public Limited Entities: Nil Private Limited Entities: Nil
4.	Ms. Sweta Bhutra	Non-Executive Independent Director	Public Limited Entities: Nil Private Limited Entities: Nil
5.	Mr. Sumit Kumar Rakshit	Non-Executive Independent Director	Public Limited Entities: • Enfield Suppliers Limited Private Limited Entities: Nil
6.	Mr. Ashok Kumar Choudhary	Non-Executive Independent Director.	Public Limited Entities: Nil Private Limited Entities: Nil

For further details, refer chapter titled “Our Management” on page 62 of the Letter of Offer.

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

## 7. FINANCIAL STATEMENT SUMMARY:

The following table sets forth summary financial information derived from the Audited Financial Statements for the Financial Years ended March 31, 2022 and March 31, 2021 and Limited Review Financial Statements as at and for six months period ended September 30, 2022 prepared in accordance with recognition and measurement principles of Ind AS 34 and Regulation 33 of SEBI Listing Regulations.

(₹ in Lakhs, except for per share data, percentage or as stated)

Particulars	For Half-year period ended September 30, 2022 @	Financial Years ended	
		March 31, 2022	March 31, 2021
Equity share Capital	1,053.50	1,053.50^	1,053.62
Net Worth	7,954.55*	5,583.93	3,590.31
Revenue (total income)	25,977.60	43,234.28	23,029.89
Net Profit/(Loss) before Tax and extraordinary items	3,174.82	2,674.91	671.12
Profit after tax and extraordinary items	2,370.63	1,993.21	510.60
Earnings per share (basic and diluted) (₹)	22.50*	18.92	4.85
Net asset value per equity share (₹)	75.51	53.00	34.08
Reserves and Surplus	6901.05	4,530.43	2,536.69
Return on Net Worth (₹)	0.30	0.36	0.14

\* Non-annualized.

^The Company during the Financial Year 2021- 2022 has forfeited 5,000 partly paid-up equity shares amounting to ₹ 0.12 Lakhs.

@ As per Limited Review financial results submitted to the CSE.

For further details, refer chapter titled “Financial Statements” beginning on page 66 of the Letter of Offer.

## 8. INTERNAL RISK FACTORS:

The below mentioned are top 5 risk factors as per the Letter of Offer:

1. Our Company is currently listed only on CSE, which does not have an active on-line market for trading of these Equity Shares and hence no benefit of listing and trading shall be available for the shareholders of the Company.
2. Part of the Issue proceeds will be utilized by our Company for part - repayment of unsecured loans availed by our Company.
3. We are exposed to the risk of delays or non-payment by our clients, which may also result in cash flow mismatches.
4. The steel industry is highly cyclical and a decrease in steel prices may have a material adverse effect on our business, results of operations, prospects and financial condition.
5. We derive a significant portion of our revenues from our top 5 (Five) customers, and any failure to maintain our relationships with such customers could have an adverse effect on our business, results of operations and profitability.

For further details, please refer to the section titled ‘Risk Factors’ beginning on page 18 of the Letter of Offer.

## 9. SUMMARY OF OUTSTANDING LITIGATIONS:

The following table sets forth the summary of outstanding litigations involving our Company and our Subsidiary as on the date of the Letter of Offer:

Nature of cases	Number of cases	Amount involved (₹ in Lakhs)
Litigations involving our Company [involving Tax Liabilities (Indirect Tax)]	7	18.57
Litigation involving our Directors, Promoters and Promoter Group	Nil	Nil

For further details, please refer to the section titled '*Outstanding Litigations, Defaults and Material Developments*' beginning on page 102 Of the Letter of Offer.

## 10. TERMS OF THE ISSUE:

**Procedure for Application:** The Equity Shares of our Company are exclusively listed on CSE. Since the trading platform of CSE is not functional, the Company shall be using the bidding platform of BSE Limited i.e. Internet based-Book Building Software (iBBS) for the Rights Issue. Hence, applicants desirous of applying shall use the ASBA platform of BSE Limited for applying in the Issue. Please note that the Equity Shares being issued in the Rights Issue shall not be listed on BSE Limited.

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA For details, see 'Procedure for Application through the ASBA Process' on page 125 of the Letter of Offer.

The Application Form can be used by the Investors, Eligible Equity Shareholders as well as the Renounces, to make Applications in this Issue based the Rights Entitlements credited in their respective demat accounts. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account. 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 accept this Issue and apply for the Rights Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing 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.

Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see 'Grounds for Technical Rejection' on page 134 of the Letter of Offer. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

### Procedure for Application through the ASBA process

An investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with a SCSB, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorization to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

### Self-Certified Syndicate Banks

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

### 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 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 authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India. Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date

and should contain the following particulars:

- a) Name of our Company, being 'Chandi Steel Industries Limited';
- b) 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.
- c) Registered Folio No./DP and Client ID No.;
- d) Number of Equity Shares held as on Record Date;
- e) Allotment option – only dematerialized form;
- f) Number of Rights Equity Shares entitled to;
- g) Total number of Rights Equity Shares applied for.
- h) Number of additional Rights Equity Shares applied for, if any;
- i) Total number of Rights Equity Shares applied for;
- j) The Issue Price for this Issue is ₹10/- (Rupees Ten Only) per Rights Share payable on Application;
- k) Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- l) In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address, branch of the SCSB with which the account is maintained and a copy of the RBI approval obtained pursuant to Rule 7 of the FEMA Rules;
- m) Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;
- n) Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- o) Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
- p) Additionally, all such Applicants are deemed to have accepted the following:

'I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the "US Securities Act") or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the "United States") except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act. I/ we understand the 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 Rights 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, 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, 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 Registrar, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.'

In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company, and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at [www.mdpl.in](http://www.mdpl.in).

Our Company and the Registrar shall not be responsible if the Applications are not uploaded by SCSB, or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

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

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a. The Eligible Equity Shareholders shall send a letter to the Registrar to the Issue containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar to the Issue not later than 2 (Two) Working Days prior to the Issue Closing Date.
- b. The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- c. The Eligible Equity Shareholders can access the Application Form from:
  - Our Company at [www.chandisteel.com](http://www.chandisteel.com);
  - The Registrar at [www.mdpl.in](http://www.mdpl.in);
  - The Lead Manager at [www.vccorporate.com](http://www.vccorporate.com);
  - The Stock Exchange at [www.cse-india.com](http://www.cse-india.com);
  - BSE Limited's website at [www.bseindia.com](http://www.bseindia.com)

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue [www.mdpl.in](http://www.mdpl.in) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company [www.chandisteel.com](http://www.chandisteel.com).

The Eligible Equity Shareholders shall, on or before the Issue Closing Date, (i) submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

**PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, I.E. FRIDAY, MAY 19, 2023 SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.**

### **Terms of Payment**

Each Rights Equity Share is being offered at a price of ₹10/- (Rupees Ten Only) payable at the time of application.

### **Rights Entitlements Ratio**

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 2 (Two) Rights Shares for every 1 (One) fully paid-up Equity Share held by the Eligible Equity Shareholders as on the Record Date.

### **Fractional Entitlements**

The Right Shares are being offered on a rights basis to existing Eligible Shareholders in the ratio of 2 (Two) Rights Share for every 1 (One) fully paid-up Equity Share held as on the Record Date and thus, the fractional entitlements are not applicable.

For example, if an Eligible Equity Shareholder holds 1 (One) Equity Share, such Equity Shareholder will be entitled to 2 (Two) Rights Equity Share(s) and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Right Shares, over and above his/ her Rights Entitlements, subject to availability of Right Shares in this Issue post allocation towards Rights Entitlements applied for.

### **Credit of Rights Entitlements in dematerialized account**

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Issue Circulars, the credit of Rights Entitlements and Allotment of Right Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

- The demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialized form; and
- A demat suspense escrow account titled as 'CSIL-RIGHTS ENTITLEMENT UNCLAIMED SUSPENSE ACCOUNT' opened by our Company, for the Eligible 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
- Equity Shares held in the account of IEPF authority; or
- Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Friday, April 07, 2023, being the Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or
- The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
- Credit of the Rights Entitlements returned/ reversed/ failed; or
- 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 Depositories for the crediting of the Rights Entitlements to



the demat accounts of the Eligible Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is INE204G20017. The said ISIN shall remain frozen (for debit) till the Issue Opening Date, i.e., Friday, May 05, 2023 and shall become active on the Issue Opening Date, being Friday, May 05, 2023 and remain active for renunciation or transfer during the Renunciation Period, i.e., Monday, May 15, 2023. 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 Shareholders whose Rights Entitlement are credited in demat suspense account are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by Tuesday, May 16, 2023 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account by Thursday, May 18, 2023 at least 1 (One) day before the Issue Closing Date, i.e., Friday, May 19, 2023 to enable such Eligible Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Shareholders in this regard. Such Eligible 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 (i.e., [www.mdpl.in](http://www.mdpl.in)). 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 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 Shareholders can be accessed by such respective Eligible Shareholders on the website of the Registrar 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 EQUITY SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS EQUITY SHARES ON OR BEFORE THE ISSUE CLOSING DATE AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, PLEASE REFER TO THE PARAGRAPH TITLED ‘PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS’ ON PAGE NO. 125 OF THE LETTER OF OFFER.**

#### **Trading of the Rights Entitlements**

The Equity Shares of our Company are exclusively listed on the CSE. Since the trading platform of the CSE is not functional, the Applicants shall not be able to deal in the Rights Entitlements using the secondary market platform of the CSE. The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part through an off-market transfer, during the Renunciation Period. Such renunciation shall result in renouncement of the Right Shares. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. Investors shall be able to trade their Rights Entitlements through Off- Market Renunciation. The trades through Off- Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Prior to the Issue Opening Date, our Company will obtain the approval from the CSE for listing and trading approval of Rights Entitlements. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlement. Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date. For details, see ‘Procedure for Renunciation of Rights Entitlements – Off Market Renunciation’ on page no. 128 of the 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.**

#### **Renunciation of Rights Entitlements**

This Issue includes a right exercisable by Eligible 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 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 Equity Shares of our Company are exclusively listed only on the CSE. Since the trading platform of the CSE is not functional, the Applicants shall not be able to deal in the Rights Entitlements using the secondary market platform of the CSE. The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part through an off-market transfer, during the Renunciation Period. Such renunciation shall result in renouncement of the Right Shares. The renunciation of Rights Entitlements credited in your demat account can be made by sale of such Rights Entitlements through an off-market transfer on or before Monday, May 15, 2023.

In accordance with SEBI Right Issue circulars the Eligible Shareholders, who hold Equity Shares in physical form as on Friday,

April 07, 2023, being the Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least by Tuesday, May 16, 2023, being not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., Friday, May 19, 2023 will not be able to renounce their Rights Entitlements.

#### **Procedure for Renunciation of Rights Entitlements through Off-Market**

The Equity Shares of our Company are exclusively listed on CSE. Since the trading platform of CSE is not functional, the Applicants shall not be able to deal in the Rights Entitlements using the secondary market platform of CSE. The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part through an off-market transfer, during the Renunciation Period. Such renunciation shall result in renouncement of the Right Shares. The renunciation of Rights Entitlements credited in your demat account can be made by sale of such Rights Entitlements through an off-market transfer. This Issue includes a right exercisable by Eligible Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part. The Rights Entitlements can be transferred in dematerialized form only.

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

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN 'INE204G20017' (for Rights Entitlement) that shall be allotted for the Rights Entitlement, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) must 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 Depositories from time to time.

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 stockbroker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements. In accordance with SEBI Right Issue circulars the Eligible Shareholders, who hold Equity Shares in physical April 07, 2023 being the Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least by Tuesday, May 16, 2023, being not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., Friday, May 19, 2023, will not be able to renounce their Rights Entitlements.

**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.**

#### **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 apply for its Rights Shares:

- I. To the full extent of its Rights Entitlements; or
- II. To the extent of part of its Rights Entitlements (without renouncing the other part); or
- III. To the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- IV. To the full extent of its Rights Entitlements and apply for additional Rights Shares; or
- V. In full.

#### **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 finalised in consultation with the CSE. 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' beginning on page 136 of the Letter of Offer.

**Eligible Shareholders who renounce their Rights Entitlements cannot apply for additional Rights Shares Withdrawal of Application.**

No Investor, whether applying through ASBA facility, may withdraw their application post the Issue Closing Date.

#### **Intention and extent of participation by our Promoters and Promoter Group**

The Individual Promoters/ Promoter Group through vide letters dated Thursday, 29<sup>th</sup> September, 2022, and Corporate Promoter Group vide their board resolutions dated Thursday, 29<sup>th</sup> September, 2022 (hereinafter collectively referred to as the "Subscription Letters"), have confirmed that they intend to subscribe in part or to full extent of its Rights Entitlement in this Issue 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/ Promoter Group, in accordance with the provisions of Regulation 86 of the SEBI ICDR Regulations. Our Promoter and certain members of our Promoter Group have also confirmed that they intend to apply for and subscribe to additional Right Shares and any Equity Shares offered in the Issue that remain unsubscribed, subject to compliance with the

minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations. Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares (including any unsubscribed portion of the Issue) is exempt in terms of Regulation 10(4)(b) of the Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the Takeover Regulations. The additional subscription by the promoters shall be made subject to such additional subscription not resulting in the minimum public shareholding of the issuer falling below the level prescribed in Regulation 38 of SEBI Listing Regulations and the provisions of the SCRR. As on date our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to this Issue.

In case this Rights Issue remains unsubscribed or minimum subscription is not achieved, the Board of Directors may dispose of such unsubscribed portion in the best interest of the Company and in compliance with the applicable laws.

#### **11. AVAILABILITY OF OFFER DOCUMENT OF THE IMMEDIATELY PRECEDING PUBLIC ISSUE OR RIGHTS ISSUE FOR INSPECTION – AVAILABLE**

#### **12. ANY OTHER IMPORTANT INFORMATION AS PER LEAD MANAGER AND THE ISSUER:**

It is to be distinctly understood that the permission given by BSE Limited is solely for the use of the bidding platform of BSE Limited i.e. Internet based-Book Building Software (iBBS) for the Rights Issue and that it should not in any way be deemed or construed that the Letter of Offer has been scrutinized, cleared, or approved by BSE Limited, nor does it certify the correctness, accuracy or completeness of any of the contents of the Letter of Offer. The Applicants are advised to refer to the Letter of Offer for the full text of the Disclaimer clause of BSE Limited. It should also be distinctly understood that BSE Limited is only providing its iBBS platform to the Company for its Rights Issue and Equity Shares issued by the Company are listed on The Calcutta Stock Exchange Limited. For more information on 'Disclaimer of BSE Limited', kindly refer to page 110 of the Letter of Offer issued by the Company.

#### **13. DECLARATION BY THE COMPANY:**

We hereby declare that no statement made in the Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. We further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India, and any other competent authority in this behalf, have been duly complied with. We further certify that all the statements in this Abridged Letter of Offer/ Letter of Offer are true and correct.

#### **SIGNED BY ALL THE DIRECTORS AND KEY MANAGERIAL PERSONNEL OF THE COMPANY:**

Sd/-  
**Devendra Prasad Jajodia**  
(Chairman & Managing Director)

Sd/-  
**Harsh Jajodia**  
(Whole-time Director)

Sd/-  
**Susanta Sarkar**  
(Executive Director)

Sd/-  
**Sumit Kumar Rakshit**  
(Independent Director)

Sd/-  
**Ashok Kumar Choudhary**  
(Independent Director)

Sd/-  
**Sweta Bhutra**  
(Independent Director)

#### **Signed by the Chief Financial Officer and the Company Secretary of the Company:**

Sd/-  
**Tushar Kanti Sarkar**  
(Chief Financial Officer)

Sd/-  
**Seema Chowdhury**  
(Company Secretary & Compliance Officer)

**Date: 19.04.2023**  
**Place: Kolkata**