



**VIKAS LIFECARE LIMITED**

("Formerly known as Vikas Multicorp Limited")

Registered Office: G-1, 34/1, East Punjabi Bagh, New Delhi-110026, India

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Vikas Lifecare Limited ("formerly known as Vikas Multicorp Limited") ("Vikas Lifecare Limited", "the Issuer" or our "Company") was originally incorporated as 'Akshatha Management Consultants Private Limited' a private limited company under the erstwhile Companies Act, 1956 pursuant to Certificate of Incorporation dated November 9, 1995 bearing registration number 55-73719 issued by the Assistant Registrar of Companies, NCT of Delhi and Haryana. Subsequently, the name of our Company was changed to Akshatha Service Private Limited and a Certificate of change of name dated May 29, 2001 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Thereafter, again the name of our Company was changed to Moonlite Technochem Private Limited and the Registrar of Companies National Capital Territory of Delhi and Haryana issued a fresh certificate of incorporation on December 29, 2008. Our Company subsequently converted into public limited company and upon conversion into the public limited company, the name of our Company changed to Moonlite Technochem Limited and a fresh certificate of incorporation on November 1, 2016 was issued by the Registrar of Companies, Delhi. The name of our Company was again changed to Vikas Multicorp Limited and a fresh certificate of incorporation dated January 24, 2017 was issued under the seal of the Registrar of Companies, Delhi. The name of our Company was again changed to Vikas Lifecare Limited and a fresh certificate of incorporation dated April 9, 2021 was issued under the seal of the Registrar of Companies, Delhi.

Pursuant to the order of the National Company Law Tribunal, Principal Bench, New Delhi dated October 31, 2018 approving the Scheme of Arrangement, the 'Recycled and Trading Compounds Division' of group concern 'Vikas Ecotech Limited' was demerged from Vikas Ecotech Limited and acquired by our Company. Pursuant to completion of said demerger, the equity shares of our Company were listed on the NSE and the BSE on May 8, 2019.

Our Company is issuing up to [●] equity shares of face value ₹1 each (the "Equity Shares") at a price of ₹[●] per Equity Share (the "Issue Price"), including a premium of ₹[●] per Equity Share, aggregating up to ₹500 million (the "Issue"). For further details, see "Summary of the Issue" on page 32 of this Preliminary Placement Document.

**THIS ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, EACH AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER, EACH AS AMENDED ("THE COMPANIES ACT").**

OUR COMPANY HAS PREPARED THIS PRELIMINARY PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE ISSUE. THE ISSUE AND THE DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT TO ELIGIBLE QIBs (AS DEFINED BELOW) IS BEING DONE IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND THE RULES MADE THEREUNDER AND CHAPTER VI OF THE SEBI ICDR REGULATIONS. THIS PRELIMINARY PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR ANY OTHER PERSON OR CLASS OR CATEGORY OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN ELIGIBLE QIBs. THIS PRELIMINARY PLACEMENT DOCUMENT SHALL BE CIRCULATED ONLY TO SUCH QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES.

YOU MAY NOT AND ARE NOT AUTHORIZED TO (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENT OR UTILISE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN VIOLATION OF THE SEBI ICDR REGULATIONS, THE COMPANIES ACT OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.

INVESTMENTS IN EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THE SECTION "RISK FACTORS" BEGINNING ON PAGE 39 OF THIS PRELIMINARY PLACEMENT DOCUMENT BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES TO BE ISSUED PURSUANT TO THIS PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT (AS DEFINED HEREINAFTER). PROSPECTIVE INVESTORS SHALL CONDUCT THEIR OWN DUE DILIGENCE ON THE EQUITY SHARES AND OUR COMPANY. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS PRELIMINARY PLACEMENT DOCUMENT AND/OR THE PLACEMENT DOCUMENT, YOU SHOULD CONSULT AN AUTHORISED FINANCIAL ADVISOR AND/OR LEGAL ADVISOR.

The Equity Shares are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE", together with BSE, the "Stock Exchanges"). The closing prices of the outstanding Equity Shares on BSE and NSE as on May 24, 2022 was ₹4.55 and ₹4.55 per Equity Share, respectively. In-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, for listing of the Equity Shares to be issued pursuant to the Issue have been received from each of BSE and NSE on May 23, 2022. Our Company shall make applications to the Stock Exchanges for obtaining the final listing and trading approvals for the Equity Shares to be issued pursuant to the Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed, or reports contained herein. Admission of the Equity Shares to be issued pursuant to the Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or of the Equity Shares.

A copy of this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4 (as defined hereafter)) has been delivered to the Stock Exchanges and a copy of the Placement Document (which shall also include disclosures prescribed under Form PAS-4) will be delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the Registrar of Companies, Delhi (the "RoC"), within the stipulated period as prescribed under the Companies Act and the PAS Rules. This Preliminary Placement Document has not been reviewed by the Securities and Exchange Board of India ("SEBI"), the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs (as defined hereinafter). This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC, will not be circulated or distributed to the public in India or any other jurisdiction, and will not constitute a public offer in India or any other jurisdiction.

Invitations for subscription, offers and sales of Equity Shares to be issued pursuant to the Issue shall only be made pursuant to this Preliminary Placement Document together with the Application Form, the Placement Document and the Confirmation of Allocation Note (each as defined hereinafter). For further details, see "Issue Procedure" beginning on page 115 of this Preliminary Placement Document. The distribution of this Preliminary Placement Document or the disclosure of its contents without our Company's prior consent to any person, other than Eligible QIBs to whom this Preliminary Placement Document is specifically addressed, and persons retained by such Eligible QIBs to advise them with respect to their purchase of the Equity Shares is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

The Equity Shares offered in the Issue have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act ("Regulation S") and the applicable laws of the jurisdiction where those offers and sales are made. For the selling restrictions in certain other jurisdictions, please see "Selling Restrictions" on page 131 of this Preliminary Placement Document. Also see, "Transfer Restrictions and Purchaser Representation" on page 140 of this Preliminary Placement Document for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

The information on our Company's website or any website directly or indirectly linked to our Company's website or the websites of the BRLM (as defined thereunder) or any of their respective affiliates does not constitute nor form part of this Preliminary Placement Document and prospective investors should not rely on such information contained in, or available through any such websites for their investment in this Issue.

This Preliminary Placement Document is dated May 25, 2022



Fedex Securities Private Limited

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## NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for the information contained in this Preliminary Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Preliminary Placement Document contains all information with respect to our Company and the Equity Shares, which is material in the context of the Issue. The statements contained in this Preliminary Placement Document relating to our Company and the Equity Shares are, in all material respects, true and accurate and not misleading, and the opinions and intentions expressed in this Preliminary Placement Document with regard to our Company and the Equity Shares are honestly held, have been reached after considering all relevant circumstances, are based on reasonable assumptions and information presently available to our Company. There are no other facts in relation to our Company and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. Unless otherwise stated, all information in this Preliminary Placement Document is provided as of the date of this Preliminary Placement Document and neither our Company nor the BRLM has any obligation to update such information to a later date.

Fedex Securities Private Limited (the "**BRLM**") has not separately verified all of the information contained in this Preliminary Placement Document (financial, legal or otherwise). Accordingly, neither the BRLM nor any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the BRLM and/or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates as to the accuracy or completeness of the information contained in this Preliminary Placement Document or any other information (financial, legal or otherwise) supplied in connection with our Company and the Equity Shares or distribution of this Preliminary Placement Document. Each person receiving this Preliminary Placement Document acknowledges that such person has not relied either on the BRLM or on any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Company and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

No person is authorized to give any information or to make any representation not contained in this Preliminary Placement Document and any information or representation not so contained must not be relied upon as having been authorized by or on behalf of our Company or on behalf of the BRLM. The delivery of this Preliminary Placement Document at any time does not imply that the information contained in it is correct as at any time subsequent to its date.

The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs specified by the BRLM or their representatives, and those retained by Eligible QIBs to advise them with respect to their purchase of the Equity Shares is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and not further distribute or make any copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document. Any reproduction or distribution of this Preliminary Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited.

The distribution of this Preliminary Placement Document and the issue of Equity Shares may be restricted in certain jurisdictions by applicable laws. As such, this Preliminary Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. In particular, except for India, no action has been taken by our Company and the BRLM that would permit an offering of the Equity Shares or distribution of this Preliminary Placement Document in any jurisdiction, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. For a description of the restrictions applicable to the offer of the Equity Shares in the Issue in certain jurisdictions, see "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representation***" on page 131 and 140 of this Preliminary

Placement Document, respectively.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and the applicable laws of the jurisdiction where those offers and sales are made. For the selling restrictions in certain other jurisdictions, please see "**Selling Restrictions**" on page 131. Also see, "**Transfer Restrictions and Purchaser Representation**" on page 140 of this Preliminary Placement Document for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

In making an investment decision, the prospective investors must rely on their own examination and due diligence of our Company and the Equity Shares and the terms of the Issue, including merits and risks involved. Prospective investors should not construe the contents of this Preliminary Placement Document as legal, business, tax, accounting or investment advice. Prospective investors should consult their own counsel and advisors as to business, investment, legal, tax, accounting and related matters concerning this Issue. In addition, our Company and the BRLM are not making any representation to any investor, purchaser, offeree or subscriber of the Equity Shares in relation to this Issue regarding the legality of an investment in the Equity Shares by such investor, purchaser, offeree or subscriber under applicable legal, investment or similar laws or regulations. The prospective investors of the Equity Shares should conduct their own due diligence on the Equity Shares and our Company. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorized financial advisor and/or legal advisor.

Each investor, purchaser, offeree or subscriber of the Equity Shares in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and is eligible to invest in India and in our Company under applicable law, including Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act and other provisions of the Companies Act, and that it is not prohibited by SEBI or any other regulatory, statutory or judicial authority, in India or any other jurisdiction, from buying, selling or dealing in securities including the Equity Shares. Each investor, purchaser, offeree or subscriber of the Equity Shares in the Issue also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the Equity Shares.

This Preliminary Placement Document contains summaries of certain terms of certain documents, which summaries are qualified in their entirety by the terms and conditions of such document. The information on our Company's website, viz, [www.vikaslifecarelimited.com](http://www.vikaslifecarelimited.com), or any website directly or indirectly linked to our Company or on the website of the BRLM or any of their respective affiliates, does not constitute nor form part of this Preliminary Placement Document. Prospective investors should not rely on such information contained in, or available through, any such websites. Our Company agrees to comply with any undertakings given by it from time to time in connection with the Equity Shares to the Stock Exchanges and, without prejudice to the generality of foregoing, shall furnish to the Stock Exchanges all such information as the rules of the Stock Exchanges may require in connection with the listing of the Equity Shares on the Stock Exchanges.

The information on our Company's website at [www.vikaslifecarelimited.com](http://www.vikaslifecarelimited.com) or any website directly or indirectly linked to our Company's website or the website of the BRLM, their associates or their affiliates, does not constitute or form part of this Preliminary Placement Document. The prospective investors should not rely on any such information contained in, or available through, any such websites.



## NOTICE TO INVESTORS IN THE UNITED STATES AND U.S. PERSONS

The Equity Shares to be issued pursuant to the Issue have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction, including the United States Securities and Exchange Commission, any other federal or state authorities in the United States or the securities authorities of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Preliminary Placement Document. Any representation to the contrary is a criminal offence in the United States and may be a criminal offence in other jurisdictions.

The EquityShares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and the applicable laws of the jurisdiction where those offers and sales are made. For the selling restrictions in certain other jurisdictions, please see "***Selling Restrictions***" on page 131. Also see, "***Transfer Restrictions and Purchaser Representation***" on page 140 of this Preliminary Placement Document for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

## NOTICE TO INVESTORS IN CERTAIN JURISDICTIONS

This Preliminary Placement Document is not an offer to sell securities and is not soliciting an offer to subscribe to or buy securities in any jurisdiction where such offer, solicitation, sale or subscription is not permitted. For information to investors in certain other jurisdictions, see "Selling Restrictions" and "***Transfer Restrictions and Purchaser Representation***" on page 131 and 140 of this Preliminary Placement Document, respectively for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

## REPRESENTATIONS BY INVESTORS

All references herein to "you" or "your" in this section are to the prospective investors in the Issue. By bidding for and/or subscribing to any Equity Shares under this Issue, you are deemed to have represented, warranted, acknowledged and agreements set forth in the sections "**Notice to Investors**", "**Selling Restrictions**" and "**Transfer Restrictions and Purchaser Representation**" on pages 1, 131 and 140 of this Preliminary Placement Document and to have represented, warranted, acknowledged to and agreed with our Company and the BRLM, as follows:

- You are a "Qualified Institutional Buyer" as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013, and all other applicable laws; and (ii) comply with all requirements under applicable law in this relation, including reporting obligations, requirements/ making necessary filings, if any, in connection with the Issue or otherwise accessing capital markets;
- You are eligible to invest in India under applicable laws, including the FEMA Rules (as defined hereinafter) and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, statutory authority or otherwise, from buying, selling, or dealing in securities or otherwise accessing capital markets in India;
- If you are not a resident of India, but a QIB, you are an Eligible FPI (and are not an individual, corporate body or a family office), having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and are eligible to invest in India under applicable law, including the SEBI FPI Regulations, FEMA Rules, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets. You confirm that you are not an FVCI. You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws;
- You are aware that in terms of the SEBI FPI Regulations and the FEMA Rules, the total holding by each FPI including its investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Further, the aggregate limit of all FPIs investments, is up to 100%, being the sectoral cap applicable to the sector in which our Company operates. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of Equity Shares in this Issue such that the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company. In case the holding of an FPI together with its investor group increases to 10% or more of the total paid-up Equity Share capital, on a fully diluted basis, such FPI together with its investor group shall divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in the breach. If however, such excess holding has not been divested within the specified period of five trading days, the entire shareholding of such FPI together with its investor group will be re-classified as FDI, subject to the conditions as specified by SEBI and the RBI in this regard and compliance by our Company and the investor with applicable reporting requirements and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations;
- You will provide the information as required under the provisions of the Companies Act, the PAS Rules and applicable SEBI ICDR Regulations and rules for record keeping by our Company, including your name, complete address, phone number, e-mail address, permanent account number (if applicable) and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue;

- If you are Allotted Equity Shares, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on the floor of the Stock Exchanges;
- You are aware that this Preliminary Placement Document and the Placement Document has not been and will not be filed as a prospectus with the RoC under the Companies Act, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. This Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4) has not been reviewed, verified or affirmed by the RBI, SEBI, the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs;
- You are aware that this Preliminary Placement Document and the Placement Document has not been and will not be filed as a prospectus with the RoC under the Companies Act, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. This Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4) has not been reviewed, verified or affirmed by the RBI, SEBI, the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs;
- You are aware that this Preliminary Placement Document has been filed, and the Placement Document will be filed, with the Stock Exchanges for record purposes only and this Preliminary Placement Document and the Placement Document will be displayed on the websites of our Company and the Stock Exchanges;
- You are permitted to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions that apply to you and that you have fully observed such laws and you have necessary capacity, have obtained all necessary consents, governmental or otherwise, and authorisations and complied and shall comply with all necessary formalities, to enable you to participate in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honour such obligations;
- You are aware that, our Company, the BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates are not making any recommendations to you or advising you regarding the suitability of any transactions that you may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment, be a client of the BRLM. The BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents, associates or affiliates do not have any duties or responsibilities to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in a fiduciary capacity;
- You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents (the "**Company Presentations**") with regard to our Company or the Issue; or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the BRLM may not have knowledge of the statements that our Company or its agents may have made at such Company Presentations and is therefore unable to determine whether the information provided to you at such Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the BRLM have advised you not to rely in any way on any information that was provided to you at such Company Presentations, and (b) confirm that you have not been provided any material or price sensitive information relating to our Company and the Issue that was not publicly available;
- Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made on the basis of any information, which is not set forth in this Preliminary Placement Document;
- You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not

limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act;

- You understand that the Equity Shares issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and will be credited as fully paid and will rank pari passu in all respects with the existing Equity Shares including the right to receive dividend and other distributions declared;
- All statements other than statements of historical fact included in this Preliminary Placement Document, including, without limitation, those regarding our Company, or our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our Company's business), are forward-looking statements. You are aware that, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward looking statements. Such forward-looking statements are based on numerous assumptions regarding our Company present and future business strategies and environment in which our Company will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as at the date of this Preliminary Placement Document. Neither our Company nor the BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates assume any responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;
- You are aware and understand that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public and the allotment of the same shall be at the discretion of our Company, in consultation with the BRLM;
- You are aware and understand that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public, or any other category other than Eligible QIBs and the Allotment of the same shall be at the sole discretion of our Company, in consultation with the BRLM;
- You are aware that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document, as applicable. However, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLM;
- You are aware that if you are Allotted more than 5% of the Equity Shares in the Issue, our Company shall be required to disclose your name and the number of the Equity Shares Allotted to you to the Stock Exchanges and the Stock Exchanges will make the same available on their website and you consent to such disclosures;
- You have been provided a serially numbered copy of this Preliminary Placement Document and have read it in its entirety; including, in particular, "**Risk Factors**" on page no 39 of this Preliminary Placement Document;
- In making your investment decision, you have (i) relied on your own examination of our Company, the Equity Shares and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of our Company, the Equity Shares and the terms of the Issue based solely on and in reliance of the information contained in this Preliminary Placement Document and no other disclosure or representation by our Company or any other party, (iii) consulted your own independent counsel and advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws (including tax laws), (iv) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares, and (v) relied upon your own investigation and resources in deciding to invest in the Issue;

- Neither our Company nor the BRLM nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the BRLM or any of their shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, when evaluating the tax consequences in relation to the Equity Shares (including, in relation to the Issue and the use of proceeds from the Equity Shares). You waive, and agree not to assert any claim against, our Company, the BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;
- You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in a similar nature of business, similar stage of development and in similar jurisdictions. You and any accounts for which you are subscribing for the Equity Shares (i) are each able to bear the economic risk of your investment in the Equity Shares, (ii) will not look to our Company and/or the BRLM or any of their respective shareholders, directors, officers, employees, counsel, advisors, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of its respective obligations or any breach of any representations and warranties by our Company, whether to you or otherwise, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares; and (vi) are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute. You are aware that investment in Equity Shares involves a high degree of risk and that the Equity Shares are, therefore a speculative investment;
- If you are acquiring the Equity Shares to be issued pursuant to the Issue for one or more managed accounts, you represent and warrant that you are authorized in writing, by each such managed account to acquire such Equity Shares for each managed account and hereby make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to "you" to include such accounts;
- You are not a "promoter" (as defined under the Companies Act and the SEBI ICDR Regulations) of our Company and are not a person related to any of our Promoters, either directly or indirectly and your Bid (hereinafter defined) does not directly or indirectly represent any of our 'Promoters', or members of our 'Promoter Group' (as defined under the SEBI ICDR Regulations) or persons or entities related thereto;
- You have no rights under a shareholders' agreement or voting agreement with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on our Board, other than the rights acquired, if any, in the capacity of a lender not holding any Equity Shares;
- You agree that in terms of Section 42(7) of the Companies Act and Rule 14 of the PAS Rules, we shall file the list of Eligible QIBs (to whom this Preliminary Placement Document will be circulated) along with other particulars including your name, complete address, phone number, e-mail address, permanent account number and bank account details, including such other details as may be prescribed or otherwise required even after the closure of the Issue with the RoC and SEBI within 30 days of circulation of this Preliminary Placement Document and other filings required under the Companies Act, 2013;
- You will have no right to withdraw your Bid or revise your Bid downwards after the Bid/Issue Closing Date (as defined hereinafter);
- You are eligible to Bid for and hold the Equity Shares so Allotted, together with any Equity Shares held by you prior to the Issue. You further confirm that your aggregate holding after the Allotment of the

Equity Shares shall not exceed the level permissible, as per any applicable regulation;

- The Bid made by you would not ultimately result in triggering an open offer under the SEBI Takeover Regulations (as defined hereinafter) and you shall be solely responsible for compliance, if any with all other applicable provisions of the SEBI Takeover Regulations;
- Your aggregate equity shareholding in our Company, together with other Allottees that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size. For the purposes of this representation:
  - (i) Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary or holding company and any other Eligible QIB; and
  - (ii) 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;
- You shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approvals for such Equity Shares to be issued pursuant to this Issue, are issued by the Stock Exchanges;
- You are aware that (i) applications for in-principle approval, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, for listing and admission of the Equity Shares to be issued pursuant to the Issue and for trading on the Stock Exchanges, were made and an in-principle approval has been received by our Company from each of the Stock Exchanges, and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final listing and trading approvals for listing of the Equity Shares will be obtained in time or at all. Neither our Company nor the BRLM nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising from such delay or non-receipt;
- You are aware and understand that the BRLM have entered into a Placement Agreement with our Company whereby the BRLM have, subject to the satisfaction of certain conditions set out therein, undertaken to use their reasonable efforts to procure subscriptions for the Equity Shares on the terms and conditions set forth therein;
- You understand the contents of this Preliminary Placement Document are exclusively the responsibility of our Company and that neither the BRLM nor any person acting on its behalf or any of the counsel or advisors to the Issue has, or shall have, any liability for any information, representation or statement contained in this Preliminary Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in this Issue based on any information, representation or statement contained in this Preliminary Placement Document or otherwise. By accepting a participation in this Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Preliminary Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the BRLM or our Company or any other person, and the BRLM or our Company or any of their respective affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them, the BRLM and their affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;
- You understand that the BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates do not have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly



sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by our Company of any of its obligations or any breach of any representations or warranties by us, whether to you or otherwise;

- You are able to purchase the Equity Shares in accordance with the restrictions described in "***Selling Restrictions***" on page 131 of this Preliminary Placement Document and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "***Selling Restrictions***" on page 131 of this Preliminary Placement Document;
- You understand and agree that the Equity Shares are transferable only in accordance with the restrictions described in "***Transfer Restrictions and Purchaser Representation***" on page 140 of this Preliminary Placement Document and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "***Transfer Restrictions and Purchaser Representation***" on page 140 of this Preliminary Placement Document; You understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and may not be offered, sold- or delivered within the United States, except in reliance on an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. You are outside the United States and are subscribing to the Equity Shares in an "offshore transaction" as defined in and in reliance on, Regulation S and the applicable laws of the jurisdictions where those offers and sales are made;
- You are not acquiring or subscribing for the Equity Shares as a result of any "directed selling efforts" (as defined in Regulation S) and you understand and agree that offers and sales are being made in reliance on an exemption to the registration requirements of the U.S. Securities Act;
- You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Delhi, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Preliminary Placement Document and the Placement Document;
- Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue;
- You agree to indemnify and hold our Company, the BRLM and their respective directors, officers, employees, affiliates, associates, controlling persons and representatives harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements and undertakings made by you in this Preliminary Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;
- You acknowledge that this Preliminary Placement Document does not, and the Placement Document shall not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;
- You will make the payment for subscription to the Equity Shares pursuant to this Issue from your own bank account. In case of joint holders, the monies shall be paid from the bank account of the person whose name appears first in the application;
- You confirm that neither is your investment as an entity of a country which shares land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (in each which case, investment can only be through the Government approval route), and that your investment is in accordance with consolidated FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and Rule 6 of the FEMA Rules;

- You are aware and understand that you are allowed to place a Bid for Equity Shares. Please note that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a successful Bidder. Allotment of Equity Shares will be undertaken by our Company, in its absolute discretion, in consultation with the BRLM;
- You represent that you are not an affiliate of our Company or the BRLM or a person acting on behalf of such affiliate;
- Our Company, the BRLM, their respective affiliates, directors, officers, employees, shareholders, representatives, agents, controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, and are irrevocable. It is agreed that if any of such representations, warranties, acknowledgements and undertakings are no longer accurate, you will promptly notify our Company and the BRLM; and
- You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws.

## OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an Eligible FPI including the affiliates of the BRLM, which is registered as a category I FPIs may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying, and all such offshore derivative instruments are referred to herein as "**P-Notes**"), and persons who are eligible for registration as Category I FPIs can subscribe to or deal in such P-Notes provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned category I FPIs may receive compensation from the purchasers of such instruments. In terms of Regulation 21 of SEBI FPI Regulations, P-Notes may be issued only by such persons who are registered as Category I FPIs and they may be issued only to persons eligible for registration as Category I FPIs subject to exceptions provided in the SEBI FPI Regulations and compliance with 'know your client' requirements, as specified by SEBI and subject to compliance with such other conditions as may be specified from the SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPIs and such instrument is being transferred only to person eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. Such P-Notes can be issued subject to compliance with the KYC norms and such other conditions as specified by SEBI from time to time, including payment of applicable regulatory fee. P-Notes have not been and are not being offered or sold pursuant to this Preliminary Placement Document. This Preliminary Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-Notes, including without limitation any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control,) is not permitted to be 10% or above of our post-Issue Equity Share capital on a fully diluted basis ("**Investment Restrictions**"). The SEBI has, vide a circular dated November 5, 2019 and as amended, issued the operational guidelines for FPIs, designated depository participants and eligible foreign investors (the "**FPI Operational Guidelines**"), to facilitate implementation of the SEBI FPI Regulations. In terms of such FPI Operational Guidelines, the Investment Restrictions shall also apply to subscribers of offshore derivative instruments and two or more subscribers of offshore derivative instruments having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the offshore derivative instruments. Further, in the event a prospective investor has investments as an FPI and as a subscriber of offshore derivative instruments, these Investment Restrictions shall apply on the aggregate of the FPI and offshore derivative instruments investments held in the underlying company.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, read with Consolidated FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the entity is of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy and FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments.

Affiliates of the BRLM which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof. Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the BRLM do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the BRLM and does not constitute any obligations of or claims on the BRLM.

**Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosure as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any**

**P-Notes or any disclosure related thereto. Prospective investors are urged to consult with their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.**

### **DISCLAIMER CLAUSE OF THE STOCK EXCHANGE**

As required, a copy of this Preliminary Placement Document has been submitted to each of the Stock Exchanges. The Stock Exchanges do not in any manner:

1. warrant, certify or endorse the correctness or completeness of any of the contents of this Preliminary Placement Document;
2. warrant that the Equity Shares to be issued pursuant to this Issue 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, our Promoters, our management or any scheme or project of our Company;

and it should not for any reason be deemed or construed to mean that this Preliminary Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares of our Company may do so pursuant to an 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.

## **PRESENTATION OF FINANCIAL AND OTHER INFORMATION**

### **Certain Conventions**

In this Preliminary Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to 'you', 'your', 'bidder(s)', 'offeree', 'purchaser', 'subscriber', 'recipient', 'investor(s)', 'prospective investor(s)' and 'potential investor(s)' are to the Eligible QIBs who are the prospective investors in the Issue, and references to 'our Company', 'Company', 'the Company' and the 'Issuer', are to Vikas Lifecare Limited on a standalone basis, unless the context otherwise indicates or implies or unless otherwise specified.

### **Currency and units of presentation**

In this Preliminary Placement Document, references to 'US\$', 'USD' and 'U.S. dollars' are to the legal currency of the United States of America, references to '₹', 'INR', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of Republic of India. All references herein to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions. All references herein to "India" are to the Republic of India and its territories and possessions and all references herein to the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable.

All the numbers in this Preliminary Placement Document have been presented in million, unless stated otherwise. Further, certain figures in the "Industry Overview" section of this Preliminary Placement Document have been presented in lakhs. Our financial statements for Fiscal 2021, Fiscal 2020 and Fiscal 2019 and the financial statements as at and for the nine months period ended December 31, 2021 included herein are presented in million for presentation purposes.

In this Preliminary Placement Document, references to "Lakhs" or "Lacs" represents "100,000", "million" represents "10 lakh" or "1,000,000", "Crore" represents "10,000,000" or "10 million" or "100 lakhs", and "billion" represents "1,000,000,000" or "1,000 million" or "100 Crore".

Certain figures contained in this Preliminary Placement Document, including financial information, have been subject to rounding adjustments. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies between the totals and the sum of the amounts listed are due to rounding off adjustments. All figures in decimals have been rounded off to the second decimal.

Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

### **Page numbers**

Unless stated otherwise, all references to page numbers in this Preliminary Placement Document are to the page numbers of this Preliminary Placement Document.

### **Financial Data and Other Information**

The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise, all references to a particular 'financial year', 'Fiscal Year', 'fiscal' or 'FY' are to the twelve-month period ended on March 31 of that year and references to a particular 'year' are to the calendar year ending on December 31 of that year.

As required under applicable regulations, and for the convenience of prospective investors, we have included the following financial information in this Preliminary Placement Document:

- The audited standalone financial statements of our Company as at and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, prepared in accordance with the Indian Accounting

Standard (referred to as "Ind AS"), as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India and other relevant provisions of the Companies Act (collectively, the "**Audited Standalone Financial Statements**");

- The limited reviewed unaudited standalone financial results of our Company as at and for the nine-months ended December 31, 2021 prepared in accordance with the principles laid down in Indian Accounting Standards 34 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India (the "**Limited Reviewed Unaudited Standalone Financial Results**").
- The limited reviewed unaudited consolidated financial results of our Company as at and for the nine-months ended December 31, 2021 prepared in accordance with the principles laid down in Indian Accounting Standards 34 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India (the "**Limited Reviewed Unaudited Consolidated Financial Results**").\*

\*Pursuant to the acquisition of 22.04% of the total paid up capital of Advik Laboratories Limited in the month of July 2021, Advik Laboratories became associate of the Company and thus the limited reviewed financial results for the nine-months ended December 31, 2021 was prepared on consolidated basis.

The Limited Reviewed Unaudited Standalone Financial Results and the Limited Reviewed Unaudited Consolidated Financial Results have been subjected to limited review by our Statutory Auditors and they have issued their report dated January 10, 2022, based on their review conducted in accordance with Standard on Review Engagement (SRE) 2410 issued by the Institute of Chartered Accountants of India ("**ICAI**").

The Audited Standalone Financial Statements should be read along with the respective audit reports, and the Limited Reviewed Unaudited Standalone Financial Results and Limited Reviewed Unaudited Consolidated Financial Results should be read along with the respective review reports. Further, our Limited Reviewed Unaudited Standalone Financial Results and Limited Reviewed Unaudited Consolidated Financial Results are not necessarily indicative of results that may be expected for the full financial year or any future reporting period and are not comparable with the annual financials.

Our Company prepares its financial statements in accordance with Ind AS. Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including generally accepted accounting principles followed in the U.S. ("**U.S. GAAP**") or International Financial Reporting Standards ("**IFRS**") and the reconciliation of the financial information to other accounting principles has not been provided. No attempt has been made to explain those differences or quantify their impact on the financial data included in this Preliminary Placement Document and investors should consult their own advisors regarding such differences and their impact on our Company's financial data. Accordingly, the degree to which the financial information included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Ind AS, the Companies Act, the SEBI ICDR Regulations and practices on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited. Also see, "***Risk Factors - Significant differences exist between Ind-AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Preliminary Placement Document.***" on page 52 of this Preliminary Placement Document.

Unless otherwise stated or unless the context requires otherwise, the financial information contained in this Preliminary Placement Document as at and for the year ended March 31, 2021 is derived from the Audited Standalone Financial Statements as at and for the year ended March 31, 2021, as at and for the year ended March 31, 2020 is derived from the comparative financial information included for Fiscal 2020 in our Fiscal 2021 Audited Standalone Financial Statements, as at and for the year ended March 31, 2019 is derived from the comparative financial information included for Fiscal 2019 in our Fiscal 2020, as at and for the nine month period ended December 31, 2021 is derived from interim financial statements as at and for the nine month period ended December 31, 2021. For details, please see the section entitled "**Financial Statements**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 159 and 65 of this



Preliminary Placement Document, respectively.

### **Non-GAAP financial measures**

Certain non-GAAP measures and certain other statistical information such as EBITDA, , EBITDA Margins, ROE, Debt/Equity, Interest Coverage Ratio, ROCE, RONW, PAT Margins, etc. (together referred as "Non-GAAP Measures") presented in this Preliminary Placement Document are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardized term, hence a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance or liquidity. Prospective investors should read this information in conjunction with the financial statements included in "**Financial Statements**" on page 159 of this Preliminary Placement Document.

## **INDUSTRY AND MARKET DATA**

Information regarding market size, market share, market position, growth rates and other industry data pertaining to our business contained in this Preliminary Placement Document consists of estimates based on data reports compiled by governmental bodies, professional organisations and analysts and on data from other external sources, and on our knowledge of markets in which we compete.

Unless stated otherwise, statistical information, industry and market data used throughout this Preliminary Placement Document has been derived from publicly available sources. While our Company has taken reasonable care in the reproduction of the information from such publicly available sources, none of our Company, the BRLM, any of our Company's or their respective affiliates or advisors or any other person connected with the Issue has independently verified data and statistics obtained from such publicly available sources. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Therefore, discussions of matters relating to India, its economy and the industry in which we currently operate are subject to the caveat that data and statistics upon which such discussions are based may be inaccurate, incomplete or unreliable. Statements from third-parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Preliminary Placement Document. Similarly, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent sources, and neither we nor the BRLM can assure potential Investors as to their accuracy.

This information is subject to change and cannot be certified with complete certainty due to limits on the availability and reliability of raw data and other limitations and uncertainties inherent in any statistical survey. Neither our Company nor any of the BRLM have independently verified the industry and market data and do not make any representation regarding accuracy or completeness of such data. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analysis and estimates, so our Company has relied on internally developed estimates. Similarly, while our Company believes its internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither our Company nor any of the BRLM can assure Bidders as to their accuracy.

Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information.

## FORWARD-LOOKING STATEMENTS

Certain statements contained in this Preliminary Placement Document that are not statements of historical fact constitute 'forward-looking statements'. Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "can", "could", "estimate", "expect", "intend", "may", "will", "plan", "objective", "potential", "project", "pursue", "seek", "shall", "should", "will", "would", "will likely result", "will continue", "will achieve", "is likely" or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements and any other projections include statements as to our Company's business strategy, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Preliminary Placement Document regarding matters that are not historical facts. These forward-looking statements contained in this Preliminary Placement Document (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause the actual results, performances and achievements of our Company to be materially different from any of the forward-looking statements include, among others:

- uncertainty of the continuing impact of the COVID-19 pandemic on our business and operations;
- any disruption in our sources of funding or increase in costs of funding;
- engagement in a highly competitive business and a failure to effectively compete;
- we are affected by volatility in interest rates, adversely affecting our net interest income;
- an adverse determination in an ongoing litigation to which Company is a party;
- a downturn in the utility of our products to the industries we cater to;
- a reduction in the demand of our products and/or competing products gaining wider market acceptance;
- loss of one or more of our key customers and/or suppliers;
- an increase in the productivity and overall efficiency of our competitors;
- an adverse change in the regulations governing our products and the products of our customers;
- a significant fall in the global price of our products and/or a significant rise in the global price of our raw materials; and
- a decrease in the demand for the products of our customers in which our Products are used and/or a downfall in production activities.

Additional factors that could cause actual results, performance or achievements of our Company to differ materially include, but are not limited to, those discussed under the sections "**Risk Factors**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations**", "**Industry Overview**" and "**Our Business**" and on pages 39, 65, 76, and 92 of this Preliminary Placement Document, respectively.

By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on net interest income and net income could materially differ from those that have been estimated, expressed or implied by such forward looking statements or other projections. The forward-looking statements contained in this Preliminary Placement Document are based on the beliefs of the management, as well as the assumptions made by, and information currently available to, the management of our Company. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document, and neither our Company nor the Book Running Lead Manager undertakes any obligation to update or revise any of them, whether as a result of new information, future events or otherwise, changes in assumptions or changes in factors affecting these forward looking statements or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our

Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

## ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public company with limited liability incorporated under the laws of India. All the key managerial personnel of our Company named herein are residents of India and all of the assets of our Company are located in India. As a result, it may be difficult or may not be possible for the prospective investors outside India to affect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A, respectively, of the Civil Procedure Code (as defined below), on a statutory basis. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India.

Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Each of the United Kingdom, United Arab Emirates, Singapore and Hong Kong, amongst others has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A foreign judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be filed in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it views the amount of damages awarded as excessive or inconsistent with public policy of India and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award denominated in a foreign currency would be converted into Indian Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, and any such amount may be subject to income tax pursuant to execution of such a judgment in accordance with applicable laws.

## EXCHANGE RATES INFORMATION

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares traded on the Stock Exchange. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth information, for the period indicated with respect to the exchange rates between the Rupee and the U.S. dollar (in ₹ per US\$), for the periods indicated. The exchange rates are based on the reference rates released by the RBI and FBIL, which are available on the website of the RBI and FBIL. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all.

	(₹ per US\$)			
	Period End <sup>(1)</sup>	Average <sup>(2)</sup>	High <sup>(3)</sup>	Low <sup>(4)</sup>
<b>Fiscal Ended:</b>				
March 31, 2022	75.81	74.53	76.92	72.48
March 31, 2021	73.50	74.20	76.81	72.29
March 31, 2020	75.39	70.88	76.15	68.37
March 31, 2019	69.17	70.94	74.39	68.30
<b>Months ended:</b>				
April 30, 2022	76.42	76.17	76.74	75.39
March 31, 2022	75.90	76.24	76.92	75.71
February 28, 2022	75.48	75.00	75.66	75.47
January 31, 2022	74.97	74.44	75.17	73.93
December 31, 2021	74.30	75.37	76.25	74.30
November 30, 2021	75.09	74.50	75.09	73.92

Source: [www.rbi.org.in](http://www.rbi.org.in), [www.fbil.org.in](http://www.fbil.org.in) and [www.fedai.org.in](http://www.fedai.org.in).

Period end, high, low and average rates are based on the FBIL reference rates and rounded off to two decimal places.

### Notes:

1. The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods;
2. Average of the official rate for each Working Day of the relevant period.
3. Maximum of the official rate for each Working Day of the relevant period.
4. Minimum of the official rate for each Working Day of the relevant period.

In case of holidays, the exchange rate on the last traded day of the month has been considered as the rate for the period end.

## DEFINITIONS AND ABBREVIATIONS

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

Unless otherwise specified, the capitalised terms used in this Preliminary Placement Document shall have the meaning as defined hereunder. Further, any references to any statute, rules, guidelines, regulations, agreement, document or policies shall include amendments thereto, from time to time.

The words and expressions used in this Preliminary Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act, or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in the section "*Statement of Possible Special Tax Benefits*", "*Industry Overview*", "*Financial Statements*" and "*Legal Proceedings*" beginning on page 148, 76, 159, and 151 of this Preliminary Placement Document, respectively, shall have the meaning given to such terms in such sections.

### General and Company Related Terms

Term	Description
"Company", "our Company", "the Company", "the Issuer"	Vikas Lifecare Limited ("formerly known as Vikas Multicorp Limited"), a public limited company incorporated under the Companies Act, 1956, having its registered office at Vikas Apartments, G-1, 34/1 East Punjabi Bagh New Delhi-110026, India.
"we", "us", or "our"	Unless the context otherwise indicates or implies, refers to our Company.
"Articles" / "Articles of Association" / "AoA"	Articles / Articles of Association of our Company, as amended from time to time.
Associate Company/ Associate	Associate Company of our Company, namely Advik Laboratories Limited
"Audit Committee"	The committee of the Board of Directors constituted as our Company's audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (" <b>SEBI Listing Regulations</b> ") and Section 177 of the Companies Act, 2013.]
"Auditor" / "Statutory Auditor" / "Peer Review Auditor"	Statutory and peer review auditor of our Company, namely, M/s. RSPH & Associates, Chartered Accountants.
"Associate"	The associate of our Company, Advik Laboratories Limited
"Board" / "Board of Directors"	Board of directors of our Company or a duly constituted committee thereof.
"Chief Executive Officer / CEO"	Mr. Vijay Kumar Sharma, the Chief Executive Officer of our Company.
"Chief Financial Officer / CFO"	Mr. Arvind Gupta, the Chief Financial Officer of our Company.
"Company Secretary and Compliance Officer"	Ms. Parul Rai, the Company Secretary and the Compliance Officer of our Company.
"Director(s)"	The director(s) on the Board of our Company, unless otherwise specified.
"Equity Shareholder"	A holder of Equity Shares
"Equity Shares"	Equity shares of our Company of face value of ₹ 1 each.
"Executive Directors"	Executive directors of our Company.
"Financial Statements"	Collectively, (i) the audited standalone financial statements for the financial years ended March 31, 2021, 2020 and 2019, prepared in accordance with the Indian Accounting Standard (referred to as " <b>Ind AS</b> "), as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India and other relevant provisions of the Companies Act (the " <b>Audited Standalone Financial</b>



Term	Description
	<b>Statements");</b> (ii) the limited reviewed unaudited standalone financial results of our Company as at and for the nine-months ended December 31, 2021 prepared in accordance with the principles laid down in Indian Accounting Standards 34 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India (the " <b>Limited Reviewed Unaudited Standalone Financial Results</b> "); and (iii) the limited reviewed unaudited standalone financial results of our Company as at and for the nine-months ended December 31, 2021 prepared in accordance with the principles laid down in Indian Accounting Standards 34 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India (the " <b>Limited Reviewed Unaudited Standalone Financial Results</b> ")
Genesis	Genesis Gas Solutions Private Limited
"Independent Director(s) "	The independent director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013.
"Senior Management Personnel"	Senior management personnel of our Company in terms of the Companies Act, 2013 and the SEBI ICDR Regulations as described in the subsection titled " <b>Board of Directors and Senior Management Personnel</b> " beginning on page 102 of this Preliminary Placement Document.
Materiality Policy	A policy adopted by our Company for identification of material litigation(s) for the purpose of disclosure of the same in this Preliminary Placement Document.
"Memorandum of Association" / "MoA"	Memorandum of Association of our Company, as amended from time to time.
"Non-executive Directors"	Non-executive Directors of our Company.
"Non-Executive and Independent Director"	Non-executive and independent directors of our Company, unless otherwise specified
"Promoters"	The Promoters of our company namely Mr. Vikas Garg, M/s Vikas Garg HUF, Ms. Seema Garg, Ms. Sukriti Garg, Mr. Vinod Kumar Garg, M/s Vinod Kumar Garg HUF, Ms. Shashi Garg, Mr. Vaibhav Garg.
"Promoter Group"	Individuals and entities forming part of the promoter and promoter group in accordance with SEBI ICDR Regulations.
"Registered Office"	The registered office of our Company located at G-1, 34/1, East Punjabi Bagh New Delhi-110026, India.
"Registrar of Companies" / "RoC"	Registrar of Companies, Delhi situated at 4 <sup>th</sup> Floor, IFCI Tower, 61, Nehru Place, New Delhi 110019.
"Shareholders/ Equity Shareholders"	The Equity Shareholders of our Company, from time to time.
"Subsidiary"	The subsidiary of our Company, Genesis Gas Solutions Private Limited

#### Issue related Terms

Term	Description
Allocated/ Allocation	The allocation of Equity Shares by our Company, following the determination of the Issue Price to Eligible QIBs on the basis of Application Forms submitted by them, in consultation with the BRLM and in compliance with Chapter VI of the SEBI ICDR Regulations
Allot/ Allotment/ Allotted	Unless, the context otherwise requires, allotment of Equity Shares to be issued pursuant to the Issue
Allottees	Eligible QIBs to whom Equity Shares are issued and Allotted pursuant to the Issue
Application Amount	The aggregate amount determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by Eligible QIBs and payable by the Eligible QIBs in the Issue on submission of the Application Form

<b>Term</b>	<b>Description</b>
Application Form	The form (including any revisions thereof) which will be submitted by an Eligible QIB for registering a Bid in the Issue during the Bid/ Issue Period An indicative format of such form is set forth in " <b>Sample Application Form</b> " on page 325 of this Preliminary Placement Document.
Bid(s)	Indication of an Eligible QIB's interest, including all revisions and modifications thereto, as provided in the Application Form, to subscribe for the Equity Shares, pursuant to the Issue. The term "Bidding" shall be construed accordingly
Bid/Issue Closing Date	[●], the date after which our Company (or BRLM on behalf of our Company) shall cease acceptance of Application Forms and the Application Amount
Bid/Issue Opening Date	May 25, 2022, the date on which our Company (or the BRLM on behalf of our Company) shall commence acceptance of the Application Forms and the Application Amount
Bid/Issue Period	Period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days during which Eligible QIBs can submit their Bids including any revision and/or modifications thereof
Bidder(s)	Any prospective investor, being an Eligible QIB, who makes a Bid pursuant to the terms of the Preliminary Placement Document and the Application Form
Book Running Lead Manager/ BRLM	Fedex Securities Private Limited
CAN / Confirmation of Allocation Note	Note or advice or intimation to successful Bidders confirming Allocation of Equity Shares to such successful Bidders after determination of the Issue Price and shall include details of amount to be refunded, if any, to such Bidders
Closing Date	The date on which the Allotment of Equity Shares pursuant to the Issue shall be made, i.e. on or about [●].
Designated Date	The date of credit of Equity Shares, pursuant to the Issue, to the Allottee's demat account, as applicable to the respective Allottee
Eligible FPIs	FPIs that are eligible to participate in the Issue in terms of applicable law, other than individuals, corporate bodies and family offices
Eligible QIBs	QIBs that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations and are not restricted from participating in the Issue under applicable law.  In addition, Eligible QIBs are QIBs who are outside the United States, to whom Equity Shares are being offered in "offshore transactions", as defined in, and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers, and sales are made.
Escrow Agent/ Escrow Bank	ICICI Bank Limited
Escrow Agreement	Agreement dated May 18, 2022 entered into amongst our Company, the Escrow Agent and the BRLM for collection of the Application Amounts and for remitting refunds, if any, of the amounts collected, to the Bidders.
Escrow Account	Special non-interest bearing, no-lien, escrow bank account without any cheques or overdraft facilities, opened with the Escrow Agent by our Company in the name and style of "Vikas Lifecare Limited-Escrow Account" to the terms of the Escrow Agreement, into which the Application Amount shall be deposited by Eligible QIBs and from which refunds, if any, shall be remitted, as set out in the Application Form.
Floor Price	The floor price of ₹4.20 per Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the Shareholders of our Company accorded through postal ballot on February 18, 2022 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue	The offer, issue and allotment of [●] Equity Shares at a price of ₹ [●] per Equity Share, including a premium of ₹ [●] per Equity Share, aggregating ₹ 500 million to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of Companies Act, 2013 and the rules made thereunder.

<b>Term</b>	<b>Description</b>
Issue Price	₹ [●] per Equity Share
Issue Size	The issue of up to [●] Equity Shares aggregating up to ₹500 million.
Mutual Fund	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue.
Placement Agreement	Agreement dated May 14, 2022 entered into amongst our Company and the BRLM.
Placement Document	The placement document to be issued by our Company in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and rules made thereunder.
Preliminary Placement Document	This preliminary placement document cum application form dated May 25, 2022 issued in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and rules made thereunder.
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
QIP	Qualified institutions placement, being a private placement to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and other applicable sections of the Companies Act, 2013, read with applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Application Amount submitted by such Bidder pursuant to the Issue.
Refund Intimation	The letter from our Company to relevant Bidders intimating them of the Refund Amount, if any, to be refunded to their respective bank accounts.
Relevant Date	May 25, 2022, which is the date of the meeting of the QIP Committee of the Board, a committee duly authorised by our Board, deciding to open the Issue
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount along with the Application Form and who will be Allocated Equity Shares pursuant to the Issue.
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, India or a trading day of the Stock Exchanges, as applicable.

#### Technical and Industry Related Terms

<b>Term</b>	<b>Description</b>
AIPMA	All India Plastics Manufacturers Association
Argo products Division	Agricultural commodities or agricultural based products
CAGR	Compounded Annual Growth Rate
CEPCI	Cashew Export Promotion Council of India
Covid-19	Coronavirus Disease 2019
CPCB	Central Pollution Control Board
CSE	Centre for Science and Environment
EVA Compounds	Ethylene-Vinyl Acetate
FDI	Foreign Direct Investment
FMCG	Fast Moving Consumers Good
GDP	Gross Domestic Product
GMV	Gross Merchandise Value
GVA	Gross Value Added
INR	Indian Rupee (₹)

<b>Term</b>	<b>Description</b>
IMF	International Monetary Fund
IWAI	Inland Waterways Authority of India
NEP	National Electricity Policy
NIP	National Infrastructure Pipeline
NaBFID	National Bank for Financing Infrastructure and Development
MITRA	Mega Investment Textiles Parks
MMT	Million Metric Tonnes
MNRE	Ministry of New and Renewable Energy
PE	Polyethylene
PP	Polypropylene
PLEXCONCIL	Plastics Export Promotion Council
PLI	Production-Linked Incentive
PMI	Purchasing Managers' Index
PVC	Polyvinyl chloride resins
Q1/Q2/Q3/Q4	First Quarter/Second Quarter/Third Quarter/Fourth Quarter
Recycled Material	Recycled Plastic Waste
SMID	Second quarter and small and mid-cap
TPR	Thermoplastic Rubber
UK	United Kingdom
USA/US	United States of America
USD/ US\$	US Dollar
WEO	World Economic Outlook
WPI	Wholesale Price Index

#### **Conventional and General Terms/Abbreviations**

<b>Terms</b>	<b>Description</b>
₹ / Rs. / Re./ Rupees /INR	Indian Rupee
AGM	Annual General Meeting
AIF(s)	Alternative investment funds, 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, as required under the Companies Act.
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Civil Procedure Code	The Code of Civil Procedure, 1908, as amended
Companies Act, 1956	The erstwhile Companies Act, 1956 along with the rules made thereunder
Companies Act / Companies Act, 2013	Companies Act, 2013, as amended and the rules, regulations, circulars, modifications and clarifications thereunder, to the extent notified
Consolidated FDI Policy	The consolidated FDI Policy, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
CSR	Corporate social responsibility.
Depositories Act	The Depositories Act, 1996, as amended
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018, as amended
Depository Participant/ DP	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
EBIT	Earnings Before Interest and Tax
EGM	Extraordinary General Meeting
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization less Other Income
ESG	Environment, social and governance

<b>Terms</b>	<b>Description</b>
EPS	Earnings per share
FBIL	Financial Benchmark India Private Limited
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999, as amended and the Regulations issued Thereunder
FEMA Non-Debt Rules/ FEMA Rules	The Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended and any notifications, circulars or clarifications issued thereunder
Financial Year /Fiscal Year / Fiscal / FY	Unless otherwise stated, the period of 12 months commencing on April 1 of a year and ending on March 31 of the next year
Form PAS-4	Form PAS-4 as prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
FPI/ Foreign Portfolio Investor(s)	Foreign Portfolio Investors, as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations.
FPI Operational Guidelines	SEBI circular dated November 5, 2019 which issued the operational guidelines for FPIs
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018, as amended
FVCI	Foreign venture capital investors as defined and registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
GAAP	Generally accepted accounting principles
GBP	Great Britain Pound Sterling
GDP	Gross domestic product
GoI / Government	Government of India, unless otherwise specified
GST	Goods and services tax
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards of the International Accounting Standards Board
Ind AS	Indian accounting standards as notified by the MCA pursuant to Section 133 of the Companies Act read with the IAS Rules
Indian GAAP	Generally accepted accounting principles in India
Income Tax Act/IT Act	The Income tax Act, 1961
Lakh/ Lac	Lakh
MCA	Ministry of Corporate Affairs, GoI
MoU	Memorandum of Understanding
Mn/ mn	Million
N.A./ NA	Not Applicable
NAV	Net Asset Value
NCLT	National Company Law Tribunal
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI
Non-Resident Indian(s) / NRI	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955, as amended.
NRO	Non-resident ordinary account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit after tax / profit for the respective period / year
PBT	Profit before tax
PAS Rules	Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
RBI	The Reserve Bank of India

<b>Terms</b>	<b>Description</b>
RBI Act	The Reserve Bank of India Act, 1934
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI ESOP Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity), Regulations 2021.
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SENSEX	Index of 30 stocks traded on the BSE representing a sample of large and liquid listed companies
STT	Securities Transaction Tax
TDS	Tax deducted at source
USA or U.S. or United States	United States of America
U.S. GAAP	Generally accepted accounting principles in the United States of America
\$/ U.S.\$ / USD / U.S. Dollar	United States Dollar, the legal currency of the United States of America
U.S. Securities Act / Securities Act	The United States Securities Act of 1933, as amended
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
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31.

## SUMMARY OF BUSINESS

Our Company is principally engaged in the business of Recycling Plastic Waste (**Recycling Materials**) and trading of Polymer Compounds. Until 2019, our Company was engaged in trading of various polymer compounds such as Ethylene-Vinyl Acetate (**EVA Compounds**), Polyvinyl Chloride Resins (**PVC resins**), Chlorinated Paraffin, Polyethylene Compound (**PE Compounds**) and Thermoplastic Rubber Compounds (**TPR Compounds**). However, subsequent to the acquisition of 'Recycled and Trading Compounds Division' of group concern '*Vikas Ecotech Limited*' under the scheme of arrangement approved by National Company Law Tribunal, Principal Bench, New Delhi, our Company also started manufacturing Polymer Compounds such as PE Compound, Polyvinyl Chloride Compound (**PVC Compounds**), V-Blend SOE Compound, Polypropylene Compounds (**PP granules**), TPR Compounds from FY 2019-20 onwards.

Our Company is ISO 9001:2015 certified, for trading and manufacturing of PVC Compounds, EVA, PP, PE, BASE Polymers, additives and chemicals (meant for plastic processing) by Dynamic Growth Agency. Our manufacturing facility is located at G-83, Vigyan Nagar, RIICO Industrial Area, Shahjahanpur, Alwar, Rajasthan.

Our products cater various industries such as agriculture and infrastructure, packaging, organic and inorganic chemicals, electrical, FMCG, footwear, pharmaceuticals, automotive, and other consumer goods.

### Financial Performance

During nine month period ending December 31, 2021, Fiscals 2021 and 2020, our revenue from operations was ₹1,983.34 million, ₹749.95 million and ₹1,561.30 million respectively. Our EBITDA during nine month period ending December 31, 2021, Fiscals 2021 and 2020 was ₹97.34 million, ₹45.44 million and ₹82.59 million respectively while our Profit after tax (PAT) during nine month ending December 31, 2021, Fiscals 2021 and 2020, was ₹57.78 million, ₹(35.02) million and ₹13.98 million respectively.

### Our Area of Operation

#### Trading of polymer compounds

Our Company is engaged in the trading of various polymer compounds such as EVA Compound), PVC resins, Chlorinated Paraffin Compounds, TPR compounds and PE compounds like Linear low-density polyethylene compounds and High-density polyethylene compounds.

#### Manufacturing of Polymer Compounds

From year 2019 onwards, our Company started manufacturing of Polymer Compounds such as PE Compound, PVC Compounds, V blend SOE Compound, PP granules, TPR Compounds.

Our manufacturing facility is located at G-83, Vigyan Nagar, RIICO Industrial Area, Shahjahanpur, Alwar, Rajasthan.

#### Manufacturing of Recycled Material

In FY 2019-20, our Company acquired 'Recycled and Trading Compounds Division' of group concern '*Vikas Ecotech Limited*' under a scheme of arrangement approved by National Company Law Tribunal, Principal Bench, New Delhi.

Our Company aimed to initiate manufacturing of Recycled Materials after acquisition of 'Recycled and Trading Compounds Division' under scheme of arrangement approved by National Company Law Tribunal, Principal Bench, New Delhi at optimal level. However due to outbreak of ongoing COVID-19, the manufacturing facility is operating at minimal capacity utilization.

#### FMCG segment and Agro Products

Our Company initiated trading in raw and finished cashew nuts to pursue one of its business strategies which is to venture and expand into the FMCG segment.



Our Company has also initiated trading of certain agro products such as rice, pulses etc. and other allied activities. Our Company has also entered into a MOU with National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED) for export of agricultural products or commodities and articles to various countries across the world. Our Company has also received export order for exporting rice amounting U.S. \$ 0.1 million.

#### **Trading of Infrastructure Product**

In the year 2021, our Company has also entered into supplying of food grade piping systems for drinking water under the Jal Jeevan Mission initiated by Department of Drinking Water & Sanitation, Ministry of Jal Shakti, Government of India. Our Company also initiated trading of steel pipe, steel pipes fittings and bars.

## SUMMARY OF THE ISSUE

The following is a general summary of this Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information appearing elsewhere in this Preliminary Placement Document, including under the sections "*Risk Factors*", "*Use of Proceeds*", "*Placement*", "*Issue Procedure*" and "*Description of the Equity Shares*" on pages 39, 61, 129, and 145 of this Preliminary Placement Document, respectively.

<b>Issuer</b>	Vikas Lifecare Limited
<b>Issue Size</b>	Up to [●] Equity Shares aggregating up to ₹500 million.  A minimum of 10% of the Issue Size, or at least [●] Equity Shares, shall be available for Allocation to Mutual Funds only, and the balance [●] Equity Shares shall be available for Allocation to all QIBs, including Mutual Funds.  In case of under-subscription or no subscription in the portion available for Allocation only to Mutual Funds, such portion or part thereof may be Allocated to other QIBs.
<b>Face Value</b>	₹1 per Equity Share
<b>Issue Price</b>	₹[●] per Equity Share
<b>Date of Board Resolution</b>	January 10, 2022
<b>Date of Shareholders' Resolution</b>	February 18, 2022
<b>Floor Price</b>	The floor price of ₹4.20 per Equity Share, which has been calculated on the basis of Regulation 176 of the SEBI ICDR Regulations. In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price.  However, our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the Shareholders of our Company through postal ballot on February 18, 2022, and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
<b>Eligible Investors</b>	Eligible QIBs, to whom this Preliminary Placement Document and the Application Form are delivered and who are eligible to bid and participate in the Issue.  For further details, see " <i>Issue Procedure</i> ", " <i>Selling Restrictions</i> " and " <i>Transfer Restrictions and Purchaser Representation</i> " on pages 115, 131 and 140 of this Preliminary Placement Document, respectively. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered has been determined by our Company in consultation with the BRLM.
<b>Issue procedure</b>	This Issue is being made only to Eligible QIBs in reliance on Section 42 of the Companies Act, read with Rule 14 of the PAS Rules, and all other applicable provisions of the Companies Act and Chapter VI of the SEBI ICDR Regulations. For further details, see " <i>Issue Procedure</i> " on page of 115 this Preliminary Placement Document.
<b>Equity Shares issued and outstanding immediately prior to this Issue</b>	1,09,20,09,210 Equity Shares fully paid-up. 1,38,16,615 Equity Shares partly paid-up.
<b>Equity Shares issued and outstanding immediately after this Issue</b>	[●] Equity Shares.
<b>Listing</b>	Our Company has obtained in-principle approvals, dated May 23, 2022 from the BSE and the NSE respectively, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, for listing of the Equity Shares issued pursuant to the Issue.

	Our Company will make applications to each of the Stock Exchanges to obtain final listing and trading approvals for the Equity Shares after Allotment and after the credit of Equity Shares to the beneficiary account with the Depository Participant, respectively.	
Lock-up	For details of the lock-up, see " <b>Placement</b> " on page 129 this Preliminary Placement Document	
Transferability Restrictions	<p>The Equity Shares to be issued pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. Allotments made to VCFs, and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement.</p> <p>See the "<b>Issue Procedure</b>", "<b>Selling Restrictions</b>" and "<b>Transfer Restrictions and Purchaser Representation</b>" on page 115, 131 and 140 of this Preliminary Placement Document.</p>	
Use of Proceeds	The gross proceeds from this Issue will be approximately ₹500 million. The net proceeds from this Issue, after deducting fees, commissions and expenses of this Issue, will be approximately ₹[●] million. See " <b>Use of Proceeds</b> " on page 61 of this Preliminary Placement Documentfor information regarding the use of net proceeds from this Issue.	
Risk Factors	See the " <b>Risk Factors</b> " beginning on page 39 of this Preliminary Placement Document for a discussion of risks that prospective investors should consider before investing in the Equity Shares.	
Taxation	Please see the section entitled " <b>Statement of Possible Special Tax Benefits</b> " on page 148 of this Preliminary Placement Document.	
Pay-In Date	Last date specified in the CAN sent to the QIBs for payment of application money for Equity Shares issued pursuant to the Issue.	
Closing Date	The Allotment of the Equity Shares, offered pursuant to the Issue is expected to be made on or about [●].	
Ranking	The Equity Shares to be issued pursuant to this Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank <i>pari passu</i> in all respects with the existing Equity Shares of our Company, including rights in respect of dividends. The shareholders of our Company (who hold Equity Shares as on the record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, SEBI Listing Regulations and other applicable laws and regulations. Shareholders may attend and vote in shareholders’ meetings in accordance with the provisions of the Companies Act. See " <b>Dividend Policy</b> " and " <b>Description of the Equity Shares</b> "on page 145 of this Preliminary Placement Document, respectively.	
Security Codes for the Equity Shares	ISIN	INE161L01027
	BSE Scrip Code	542655
	NSE Scrip Code	VIKASLIFE

## SELECTED FINANCIAL INFORMATION

The following tables set out selected financial information extracted from our Financial Statements, prepared in accordance with the applicable accounting standards (Ind AS), Companies Act, 2013 and the requirements of SEBI Listing Regulations, as applicable, and presented in "*Financial Statements*" on page 159 of this Preliminary Placement Document. Please see the sections entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*", on pages 65 and 159 of this Preliminary Placement Document, respectively, for further details.

### BALANCE SHEET

	(₹ in million)		
Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31 2019
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	44.68	35.16	35.46
Investment Property	78.09	65.95	42.22
Financial Assets			
- Investments	33.24	99.41	480.02
- Loans	8.00	18.00	18.00
- Trade Receivables	283.36	599.90	88.13
- Other financial assets	93.75	43.01	43.11
Deferred Tax Assets (Net)	-	2.22	5.59
Other non current assets	15.64	2.40	26.63
<b>Total Non Current Assets</b>	<b>556.76</b>	<b>866.05</b>	<b>739.17</b>
<b>Current Assets</b>			
Inventories	271.72	303.30	282.35
Financial assets	-	-	-
- Trade receivables	429.23	1,162.37	1,350.47
- Cash & cash equivalents	1.88	2.17	15.45
- Loans	0.47	0.05	0.14
- Other financial assets	34.54	6.95	7.42
Other current assets	194.93	206.04	54.62
<b>Total Current Assets</b>	<b>932.75</b>	<b>1,680.89</b>	<b>1,710.44</b>
<b>Total Assets</b>	<b>1,489.51</b>	<b>2,546.94</b>	<b>2,449.61</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	663.50	663.50	663.50
Other Equity	3.20	(128.27)	238.99
<b>Total Equity</b>	<b>666.70</b>	<b>535.23</b>	<b>902.49</b>
<b>Liabilities</b>			
<b>Non- current liabilities</b>			
Financial Liabilities			
- Borrowings	162.01	54.97	83.64
Provisions	0.67	0.78	0.78
Deferred Tax Liabilities (Net)	0.81	-	-
Other non current liabilities	-	50.84	23.03
<b>Total Non Current Liabilities</b>	<b>163.49</b>	<b>106.59</b>	<b>107.46</b>
<b>Current Liabilities</b>			
Financial Liabilities			
- Borrowings	251.03	347.21	308.75
- Trade Payables	-	-	-
- Outstanding dues of micro enterprises & small enterprises	245.25	283.47	-
- Outstanding dues of creditors other	131.31	1,222.89	903.27

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31 2019
than above			
- Other financial liabilities	7.52	5.47	-
Provisions	0.07	0.12	0.13
Other current liabilities	11.24	39.71	218.14
Current Tax Liabilities (Net)	12.90	6.25	9.37
<b>Total Current Liabilities</b>	<b>659.32</b>	<b>1,905.12</b>	<b>1,439.67</b>
<b>Total Liabilities</b>	<b>822.82</b>	<b>2,011.71</b>	<b>1,547.12</b>
<b>Total Equity &amp; Liabilities</b>	<b>1,489.51</b>	<b>2,546.94</b>	<b>2,449.61</b>

# STATEMENT OF PROFIT AND LOSS

(₹ in million)

Particulars	For the nine months ended December 31, 2021*	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
<b>Income</b>				
Revenue From Operations	1,983.34	749.95	1,561.30	2,158.24
Other Income	128.77	10.15	21.56	33.61
<b>Total Income</b>	<b>2 112.11</b>	<b>760.10</b>	<b>1 582.86</b>	<b>2 191.85</b>
<b>Expenses</b>				
Cost of Material Consumed	183.76	243.78	1,348.69	607.43
Purchase of Stock-In-Trade	1,838.41	333.55	212.27	1,494.69
Changes in inventories of Finished Goods and stock-in trade	(97.27)	60.26	(136.39)	(67.35)
Employee Benefit Expenses	9.81	6.56	9.93	11.58
Finance Costs	17.05	53.54	50.11	62.10
Depreciation expense	6.93	6.84	7.42	7.22
Other expenses	79.57	28.07	24.62	61.32
<b>Total Expenses</b>	<b>2,038.25</b>	<b>732.61</b>	<b>1,516.65</b>	<b>2,176.97</b>
<b>Profit before exceptional items and tax</b>	<b>73.86</b>	<b>27.49</b>	<b>66.21</b>	<b>14.87</b>
Less: Exceptional Items	-	(42.49)	(41.15)	14.70
Add: Share of Profit / (loss) of associates	(1.25)	-	-	-
<b>Profit/(Loss) Before Tax</b>	<b>72.61</b>	<b>(15.00)</b>	<b>25.06</b>	<b>29.57</b>
<b>Tax expense:</b>				
- Current Tax	9.60	13.75	8.39	11.26
- Deferred Tax	6.48	2.92	3.31	2.67
- Prior Period Tax Adjustments	-	3.36	(0.61)	(5.13)
<b>Total Tax Expense</b>	<b>16.08</b>	<b>20.02</b>	<b>11.09</b>	<b>8.80</b>
<b>Profit/(Loss) for the period</b>	<b>56.53</b>	<b>(35.02)</b>	<b>13.97</b>	<b>20.78</b>
Other Comprehensive Income (OCI)	-	-	-	-
- Items that will not be reclassified to profit or loss	-	-	-	-
"(a) Fair valuation of financial instruments through OCI	108.19	166.14	(381.43)	(741.86)
' Tax on Fair valuation of Financial Instruments	-	-	-	-
' (b) Re-measurement gains/(losses) on defined benefit plans	(0.19)	0.46	0.26	-
' Tax on Fair valuation of defined benefit plans	-	(0.12)	(0.06)	-
Share of Other Comprehensive Income of associates	0.01	-	-	-
<b>Total Other Comprehensive Income for the period</b>	<b>108.00</b>	<b>166.49</b>	<b>(381.23)</b>	<b>(741.86)</b>
<b>Total Comprehensive Income for the period</b>	<b>164.53</b>	<b>131.47</b>	<b>(367.26)</b>	<b>(721.08)</b>
Earnings per Equity Share of ₹1 each				
Basic	0.060	(0.053)	0.021	0.031
Diluted	0.060	(0.053)	0.021	0.031

\* Consolidated Financial Results

## STATEMENT OF CASH FLOWS

(Amount in million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>A. Cash flow from operating activities :</b>			
Net Profit/(Loss) before tax	(15.00)	25.06	29.57
<u>Adjustments for :</u>	-	-	-
Depreciation	6.84	7.42	7.22
(Profit)\Loss on sale of PPE & Investment Property	-	(1.93)	(0.22)
Finance cost	53.54	50.11	62.10
Share Profit from Partnership Firm	(1.93)	(13.88)	(2.43)
Foreign Exchange difference	(1.52)	5.78	(9.38)
Net Loss on Sales of Investments	42.49	6.74	(14.16)
Provision for Gratuity	0.25	0.25	0.92
Rental Income	(4.30)	(2.50)	-
Dividend Income	-	-	(2.06)
Interest Income	(2.40)	(8.61)	(3.75)
	<b>92.97</b>	<b>43.38</b>	<b>38.24</b>
	-	-	-
<u>Operating profit / (loss) before working capital changes</u>	<b>77.97</b>	<b>68.44</b>	<b>67.82</b>
<u>Adjustments for Working Capital Change:</u>	-	-	-
Decrease/(Increase) in Inventories	31.59	(20.96)	(134.52)
Decrease/(Increase) in Trade receivables	1,051.20	(329.45)	(302.32)
Decrease/(Increase) in Financial Assets & other assets	(23.49)	(126.53)	(72.75)
Decrease/(Increase) in Trade payables	(1,129.79)	319.62	267.26
Decrease/(Increase) in Other financial liabilities	2.06	2.14	0.25
Decrease/(Increase) in Other current liabilities	(79.76)	132.85	69.49
	<b>(148.19)</b>	<b>(22.33)</b>	<b>(172.59)</b>
Cash generated from operations	(70.22)	46.11	(104.77)
Tax Paid	(6.60)	(10.90)	(11.16)
<b>Net cash flow from operating activities (A)</b>	<b>(76.82)</b>	<b>35.21</b>	<b>(115.93)</b>
<b>B. Cash flow from investing activities</b>	-	-	-
Acquisition of property, Plant and Equipment	(14.70)	(5.01)	(9.01)
Stock converted into Investment in Property	-	(66.99)	-
Proceeds from sale of fixed assets	-	-	0.45
Investment in Properties	(13.81)	-	-
Proceeds from Investment property	-	43.10	-
Proceeds from Loans	10.00	-	-
Proceeds from Investments	131.02	6.31	2.93
Rent from Investment Property	4.30	2.50	-
Dividend Income	-	-	2.06
Interest received	2.40	8.61	3.75
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>119.21</b>	<b>(11.49)</b>	<b>0.17</b>
<b>C. Cash flow from financing activities</b>	-	-	-
Repayment of long-term borrowings	(96.19)	(28.68)	192.07
Proceeds from Non Current Borrowings	107.04	41.79	-
Finance cost	(53.54)	(50.11)	(62.10)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(42.69)</b>	<b>(36.99)</b>	<b>129.97</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(0.30)</b>	<b>(13.27)</b>	<b>14.21</b>
Cash and cash equivalents at the beginning of the year	2.17	15.45	1.24
<b>Cash and cash equivalents at the end of the period</b>	<b>1.88</b>	<b>2.17</b>	<b>15.45</b>
Components of Cash & Cash Equivalents	-	-	-
Cash in hand	1.02	1.32	0.35
Cheques in Hand	-	0.01	14.85

<b>Particulars</b>	<b>For the year ended March 31, 2021</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>
Balances with Banks	0.86	0.84	0.25
<b>Total Cash and Cash Equivalents</b>	<b>1.88</b>	<b>2.17</b>	<b>15.45</b>



## **RISK FACTORS**

*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 Preliminary Placement Document, including in "Our Business", "Industry Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Selected Statistical Information" and "Financial Statements" 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 of, 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 adversely affects 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 Preliminary Placement Document also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Preliminary Placement Document.*

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

### **INTERNAL RISK FACTORS**

#### **BUSINESS RELATED RISKS**

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

The pandemic has caused us to modify our business practices to help minimize the risk of the virus to our employees, which could negatively impact our business. These measures include temporarily requiring employees to work remotely, suspending all non-essential business travel for our employees, limiting external guests visiting our offices, and canceling, postponing, or holding meetings and events virtually. Given the continually evolving situation, there is no certainty that the measures we have taken will be sufficient to mitigate the risks posed by the pandemic.

The extent to which the COVID-19 pandemic impacts our business, results of operations, cash flows and financial condition will depend on developments that continue to be highly uncertain and difficult to predict, including, but not limited to, the duration and spread of the pandemic, its severity, the actions to contain the virus or treat its impact, the availability, distribution and efficacy of vaccines, and how quickly and to what extent normal economic and operating conditions can resume. Even after the COVID-19 pandemic has subsided, we may experience material and adverse impacts to our business as

a result of the virus's global economic impact, including the availability of credit, bankruptcies or insolvencies of merchants, and recession or economic downturn.

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

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

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

<b>Nature of Cases</b>	<b>Number of outstanding cases</b>	<b>Amount Involved (in ₹)*</b>
<b><i>Litigation involving our Company</i></b>		
Criminal proceedings filed by our Company	1	Not ascertainable
Criminal proceedings filed against our Company	1	Not ascertainable
Material civil litigation by our Company	1	5,35,98,000
Material civil litigation filed against our Company	Nil	Nil
Actions by statutory or regulatory Authorities	Nil	Nil
Direct and indirect tax proceedings	Not ascertainable	2,45,59,239
<b><i>Litigation involving our Subsidiary</i></b>		
Criminal proceedings	Nil	Nil
Material civil litigation	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil
<b><i>Litigation involving our Directors</i></b>		
Criminal proceedings	Nil	Nil
Material civil litigation	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	1	37,980
<b><i>Litigation involving our Promoters</i></b>		
Criminal proceedings	Nil	Nil
Material civil litigation by our Promoters	1	Not Ascertainable
Material civil litigation against our Promoters	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	5	21,60,272

For further details, please refer "***Legal Proceedings***" beginning at page 151 of this Preliminary Placement Document.

3. ***Any disturbance in or shutdown of our Manufacturing Facility may have a material adverse effect on our entire manufacturing operations and consequently, our business, financial condition and our results of operations.***

Our manufacturing operations are based out of our manufacturing facility located at G-83, Vigyan Nagar, RIICO Industrial area, Shahjahanpur, Alwar, Rajasthan. As on the date of this Preliminary Placement Document, the manufacturing facility is dedicated towards the manufacture of Polymer Compound and Recycling Materials which at present is operating at minimal or negligible capacity utilisation. Our Company has recently acquired a manufacturing facility for processing of cashew nut which is yet to be fully operational. For further details, see "***Our Business***" beginning on page 92 of this Preliminary Placement Document.

Our manufacturing operations and consequently our business is dependent upon our ability to operate our manufacturing facility at enhanced capacity and manage the manufacturing facility, which is subject to operating risks, including those beyond our control, such as the breakdown and failure of equipment or industrial accidents, localised social unrest and natural disasters. In the event there are any disruptions at our manufacturing facility, due to natural or man-made disasters, workforce disruptions, regulatory approval delays, fire, failure of machinery, lack of access to assured supply of electrical power and water at reasonable costs or any significant social, political or economic disturbances, our ability to manufacture our products may be adversely affected.

Any contravention of or non-compliance with the terms of various regulatory approvals applicable to the manufacturing facility may also require us to cease or limit production until such non-compliance is remedied to the satisfaction of relevant regulatory authorities. We cannot assure you that we will not experience work disruptions in the future resulting from any dispute with our employees or other problems associated with our employees and the labour involved in our manufacturing facility, which may hinder our regular operating activities and lead to disruptions in our operations, which could adversely affect our business, prospects, financial condition, cash flows and results of operations.

4. ***Any shortfall in the supply of our raw materials or an increase in our raw material costs, or other input costs, may adversely affect the pricing and supply of our products and have an adverse effect on our business, results of operations and financial condition.***

The success of our operations depends on, among other things, our ability to source raw materials at competitive prices. Raw materials are subject to supply disruptions and price volatility caused by various factors such as the quality and availability of raw materials, currency fluctuations, consumer demand, changes in domestic as well as international government policies and regulatory sanctions.

We seek to source our raw materials from reputed suppliers and typically seek quotations from multiple suppliers. We do not have long-term contracts with our suppliers. We typically purchase raw materials on a purchase order basis. Consequently, we may be required to regularly negotiate prices with our suppliers in case of significant fluctuations in raw material prices. The absence of long-term supplier contracts subjects us to risks such as price volatility, unavailability of certain raw materials in the short term and failure to source critical raw materials in time, which would result in a delay in manufacturing of the final product. Further, we cannot assure you that we will be able to enter into new arrangements with suppliers on terms acceptable to us, which could have an adverse effect on our ability to source raw materials in a commercially viable and timely manner, if at all, which may impact our business and profitability. Our suppliers may also be unable to provide us with sufficient quantity of raw materials, at prices acceptable to us, for us to meet the demand for our products. While, we typically sell our products to our customers on a purchase order basis, given that we have long term relationships with many of our customers, our ability to pass on increases in the costs of raw materials and other inputs to our customers may be limited. We are also subject to the risk that one or more of our existing suppliers may discontinue their operations, which may adversely affect our ability to source raw materials at a competitive price.

If we are unable to purchase the raw materials from such suppliers for any reason including due to cessation of operations by such suppliers, disputes with such suppliers, or if there is a substantial increase in the prices charged by such suppliers, there can be no assurance that we will be able to identify

alternative suppliers for our raw materials at similar cost and other terms of purchase.

Any increase in raw material prices may result in corresponding increases in our product costs. A failure to maintain our required supply of raw materials, and any inability on our part to find alternate sources for the procurement of such raw materials, on acceptable terms, could adversely affect our ability to deliver our products to our customers in an efficient, reliable and timely manner, and consequently adversely affect our business, results of operations and financial condition.

5. ***We have ventured into new line of businesses such as FMCG segment, trading of agro products and trading of infra products and intends to explore other business opportunities in which neither our Company nor the Promoters have any rich experience.***

During 2020-2021, we have ventured into new line of businesses such as FMCG segment, trading of agro products and infrastructure products and also intends to explore other business opportunities in which neither our Company nor the Promoters have any rich experience. Further, the risks involved in entering a new line of business may be higher than expected. By entering in new line of business, we may be exposed to significant liability and could lose some or all of our investment in such business, as a result of which our business, financial condition and results of operations could be adversely affected. If we are unable to effectively manage the risks associated with our growth and expansion strategies, we may be adversely affected.

6. ***Our agreements with lenders for financial arrangements contain restrictive covenants for certain activities and if we are unable to get their approval, it might restrict our scope of activities and impede our growth plans.***

Our Company has entered into agreements for our borrowings with certain lenders. These borrowings include secured fund based and non-fund based facilities. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as change in capital structure, formulation of any scheme of amalgamation or reconstruction, declaring dividends, further expansion of business, granting loans to directors, repaying secured loan and unsecured loans, undertake guarantee obligations, which require our Company to obtain prior approval of the lenders for any of the above activities. We have not obtained consent from the relevant lenders for no objection certificate to alter the capital structure of our Company which will undergo change subsequent to the issue of Equity Shares under the Issue. Undertaking the Issue without such consents constitutes a breach of covenant under the relevant financing documents, which entitles the respective lender to consider this Issue as an event of default under the loan agreements and they may call up the entire outstanding amount and make it payable forthwith at their discretion. We cannot provide any assurance that our lenders will not enforce their rights relating to our breach of financial covenants, or grant us waivers with respect to any such breaches. The occurrence of any of the events mentioned above can adversely affect our business, results of operations and financial condition.

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

For the FY ended March 31, 2021 our top ten customers contributed 88.80%, towards our revenue from operations, respectively. Our business operations are highly dependent on our customers and the loss of any of our customers from any industry which we cater to may adversely affect our sales and consequently on our business and results of operations.

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

historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future.

A decline in our clients' business performance may lead to a corresponding decrease in demand for our product. We are also exposed to fluctuations in the performance of the industries in which our significant clients operate.

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

8. ***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. Following are the details of our cash flow position during the last three financial years based on financial statements are:

	(₹ in million)		
Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Net cash flow from operating activities (A)	(76.82)	37.71	(115.92)
Net cash flow from / (used in) investing activities (B)	119.21	(13.99)	0.17
Net cash flow from / (used in) financing activities (C)	(42.69)	(36.99)	129.97

We may incur negative cash flows in the future which may have a material adverse effect on our business, prospects, results of operations and financial condition. For further details please refer to "**Financial Statements**" beginning on page 159 of this Preliminary Placement Document.

9. ***Our Company has posted negative profits in the past.***

Our Company has in the past incurred losses. There can be no assurance that we will be able to maintain the profitability in future. The details are as mentioned below:

	(₹ in million)			
Particulars	Deemder 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Total Comprehensive Income for the period	66.08	131.47	(367.26)	(721.08)

For further details please refer to "**Financial Statements**" beginning on page 159 of this Preliminary Placement Document.

10. ***We have issued Equity Shares at a price that may be lower than the Issue Price in the last 12 months***

Except as disclosed below, our Bank has not issued any Equity Shares in the last 12 months immediately preceding the date of this Preliminary Placement Document at a price which may be lower than the Issue

Price.

No.	Name of Allottees	Number of Equity Shares allotted	Issue Price	Mode of allotment	Date of allotment
1.	Vikas Garg	49,945,945	1.85	Right Issue	June 22, 2021
2.	Vivek Garg	3,500,000	1.85	Right Issue	June 22, 2021
3.	Vivek Garg	26,200,872	2.80	Right Issue	February 15, 2022
<b>Total</b>		<b>79,646,817</b>			

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

Our business strategies include entering into new business ventures, widening our customer base by entering into new geographies and strengthening our relationships with our existing clients. For further details, see "***Our Business***" on page 92 of this Preliminary Placement Document. These strategies require us to expand our operations to other geographical areas and in new industry verticals. Risks that we may face in implementing our business strategy in these markets may substantially differ from those previously experienced, thereby exposing us to risks related to new markets, industry verticals and clients. The commencement of operations beyond our current markets and industry verticals is subject to various risks including unfamiliarity with pricing dynamics, competition, service and operational issues as well as our ability to retain key management and employees. There can also be no assurance that we will not experience issues such as capital constraints, difficulties in expanding our existing operations and challenges in training an increasing number of personnel to manage and operate our expanded business, or that we will be able to successfully manage the impact of our growth on our operational and managerial resources and control systems. We may not be able to successfully manage some or all of the risks associated with such an expansion into new geographical areas and new industry verticals, which may place us at a competitive disadvantage, limit our growth opportunities and materially and adversely affect our business, results of operations and financial condition.

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

We operate in a highly competitive industry, dominated by a large number of organized and unorganized players. Increased competition from other organized and unorganized third-party logistics providers may lead to a reduction in our revenues, reduced profit margins or a loss of market share.

Our success depends on our ability to anticipate, understand and address the preferences of our existing and prospective clients as well as to understand evolving industry trends and our failure to adequately do so could adversely affect our business.

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

13. ***Our funding requirements and proposed deployment of the Net Proceeds 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 deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or other independent agency. Further, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control.

For details, see "*Use of Proceeds*" on page 61 of this Preliminary Placement Document.

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

Misconduct or errors by manpower engaged by us could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such misconduct includes breach of security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. Consequently, our ability to control the workplace environment in such circumstances is limited. The risks associated with the deployment of manpower engaged by us across locations include, among others, possible claims relating to; actions or inactions, including matters for which we may have to indemnify our clients; our failure to adequately verify personnel backgrounds and qualifications resulting in deficient services; failure of manpower engaged by us to adequately perform their duties; errors or malicious acts or violation of health and safety regulations; or criminal acts.

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

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

In the past, there have been certain instances of delays in filing statutory forms such as e-form DIR-12 etc. as per the reporting requirements under the Companies Act, 2013 with the RoC, which have been subsequently filed by payment of an additional fee as specified by RoC.

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

16. ***As a listed company, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations and we must comply with other SEBI regulations as may be applicable to us. Any non-compliance/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.***

The Equity Shares of our Company are listed on BSE and NSE. We are, therefore, subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations and we must comply with other SEBI Regulations as may be applicable to us. While our Company endeavours to comply with all such obligations/reporting requirements, in the past, there have been instances of delayed disclosures/ inadvertent incorrect/ inadvertent incomplete factual disclosures under the SEBI Listing Regulations, such as delayed filings under Regulation 23(9) and Regulation 30 of the SEBI Listing Regulations, incorrect categorization of Promoter and Promoter Group in the shareholding pattern filed with Stock Exchanges under Regulation 31 of the SEBI Listing Regulations, discrepancy or variation in the business updates filed with the Stock Exchanges and other delayed compliance under Regulation 74(5) of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, etc. Such non-compliance is usually subject to penalties, warnings and show cause notices by SEBI and the Stock Exchanges. Any regulatory action or development, which is initiated against us 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.

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

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

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

Some of our Directors are unable to trace relevant documents with respect to their educational qualifications and their experience. Due to lack of documents and relevant information from the aforementioned Directors, we have relied upon their bio-datas provided to us as is required under the SEBI ICDR Regulations and therefore cannot verify if the bio-datas/profiles of the Directors are correct. For further details, please refer to the chapter titled "**Board of Directors and Senior Managerial Personnel**" beginning on page 102 of this Preliminary Placement Document.

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

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

In relation to our facility and the Objects of the Issue, we are required to maintain and avail certain approvals and licenses. We cannot assure you that we will receive all the required certifications or that we will be able to maintain the validity of the quality certifications that have previously been awarded.


Further, government approvals and licenses are subject to numerous conditions, of which some may be onerous and may require us to undertake substantial compliance-related expenditure. Changes in laws and regulations, more stringent enforcement or alternative interpretation of existing laws and regulations in geographies in which we currently operate may make compliance with all applicable laws and regulations more challenging and could affect us adversely by tightening restrictions, reducing our freedom to do business, increasing our costs of doing business, or reducing our profitability.

Failure to comply with applicable laws or regulations, obtain and maintain any licenses, permits and approvals necessary to operate our business or non-compliance with any conditions imposed thereunder can lead to civil, administrative or criminal penalties, including but not limited to fines or the revocation of permits and licenses that may be necessary for our business activities.



20. ***Our Company has not yet applied for the registration of the logo or any of the intellectual property that it uses with the registrar of Trademarks.***



Our Company has not yet applied for the registration of the logo i.e.  or any of the intellectual property that it uses. Any failure to get the same registered in our name may cause any third-party claim and may lead to litigation and our business operations could be affected. Even if our trademarks are registered, we may not be able to detect any unauthorized use or infringement or take appropriate and timely steps to enforce or protect our intellectual property, nor can we provide any assurance that any unauthorized use or infringement will not cause damage to our business prospects.

21. ***Our growth and our financial results may be affected by factors affecting the chemical and plastic industry in India.***

Our financial results are influenced by the macroeconomic factors determining the growth of the Indian economy as a whole and the chemical and plastic industry in particular.

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

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

As of March 31, 2021, our contingent liabilities and commitments (to the extent not provided for) as disclosed in the notes to our Financial Information aggregates to ₹9.63 million. The details of our contingent liabilities are as follows:

Particulars	(₹ in million)
<b>Claims against our company not acknowledged as debts</b>	
Direct Tax laws	0.79
Custom Duty	1.25
Bank Guarantees issued by the bank on behalf of our Company	3.00
Facility availed by related parties on the property in the possession of our Company	4.59
<b>Total</b>	<b>9.63</b>

For further details of contingent liability, see the section titled — "**Financial Statements**" beginning on page 159 of this Preliminary Placement Document. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

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

As of December 31, 2021, we have entered into several related party transactions with our Promoter, individuals and entities forming a part of our promoter group, our Directors and the entities in which they hold directorships. In addition, we have in the past also entered into transactions with other related parties. Our Company has entered into related party transactions for the nine-month period ended December 31, 2021 and the Fiscal ended March 31, 2021. For further details, please refer to the chapter titled — "**Financial Statements**" beginning on page 159 of this Preliminary Placement Document.

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.

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

As on December 31, 2021 our Company's total fund based indebtedness on a consolidated basis is ₹95.23 million. In addition to the indebtedness for our existing operations, we may incur further indebtedness during the course of our business. We cannot assure you that we will be able to obtain further loans at favorable terms. Increased borrowings, if any, may adversely affect our debt-equity ratio and our ability to borrow at competitive rates. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows.

Any failure to service our indebtedness or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an adverse effect on our business, financial condition and results of operations.

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

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing Shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

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

Our Company depends on the management skills and guidance of our Promoters and Directors for development of business strategies, monitoring its successful implementation and meeting future challenges. Further, we also significantly depend on the expertise, experience and continued efforts of our Key Managerial Personnel. Some of our employees have been associated with our Company since a long period of time and have been integral to the growth and in the success of our Company. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our Directors or Key Managerial Personnel are unable or unwilling to continue in his/ her present position, it could be difficult for us to find a suitable or timely replacement and our business could be adversely affected. There is significant competition for management and other skilled personnel in the industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not offer better compensation packages and incentives to such Key Managerial Personnel. In the event we are not able to attract and retain talented employees, as required for conducting our business, or we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition and operations may be adversely affected. For further details on our Directors and Key Managerial Personnel, please refer to the chapter titled — "**Board of Directors and Senior Management Personnel**" beginning on page 102 of this Preliminary Placement Document.

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

Our operations are subject to inherent risks and hazards which may adversely impact our profitability, such as natural disasters. During the Fiscal 2019-20, our company suffered loss of stock amounting to ₹10.33 million due to a fire breakout at our godown in Rajasthan. Presently, we have obtained certain insurance policies such as policies to insure stock, building, furniture, fittings, from earthquake, fire, shock, terrorism, etc. There are many events that could cause significant damages to our operations, or expose us to third-party liabilities, whether or not known to us, for which we may not be insured or adequately insured, which in turn may expose us to certain risks and liabilities. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance had been availed. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part, or on time. If we were to incur a significant liability for which we were not fully insured, it could adversely affect our results of operations and financial position.

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

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. Our business is working capital intensive and we are required to obtain consents from certain of our lenders prior to the declaration of dividend as per the terms of the agreements executed with them. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations.

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

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

## **ISSUE SPECIFIC RISKS**

30. ***Investors may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.***

Under current Indian tax laws and regulations, capital gains arising from the sale of shares in an Indian company are generally taxable in India. Previously, any gain realised on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long-term capital gains tax in India if securities transaction tax ("STT") was paid on the sale transaction.

However, the Finance Act, 2018, now seeks to tax on such long-term capital gains exceeding ₹ 100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealised capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which our Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains

arising from the sale of our Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of our Equity Shares.

Further, the Finance Act, 2019, which has been notified with effect from April 1, 2019, stipulates the sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments have been notified on December 10, 2019, however these amendments will come into effect from July 1, 2020. The Finance Act, 2020 has also provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable 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 resident as well as non-resident. Further, the Government of India has announced the union budget for the financial year 2022, pursuant to which the Finance Bill, 2021 ("**Finance Bill 2021**") has introduced various amendments. The Finance Bill 2021 has received assent from the President of India on March 28, 2021, and has been enacted as the Finance Act, 2021 ("Finance Act").

Thereafter, the Government of India has announced the union budget for the Financial Year 2023, and the Finance Bill, 2022 ("**Finance Bill 2022**") has been introduced in Lok Sabha on February 1, 2022. The Finance Bill 2022 is scheduled to be passed in the ongoing budget session of the Parliament. We have not fully determined the impact of these recent and proposed laws and regulations on our business. We cannot predict whether any amendments made pursuant to the Finance Act or the Finance Bill 2022 would have an 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.

31. ***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 who have voted on such resolution. 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.

32. ***Applicants to the Issue are not allowed to withdraw or revise downwards their Bids after the Bid/Issue Closing Date.***

In terms of the SEBI ICDR Regulations, applicants in the Issue are not allowed to withdraw their Bids after the Bid/Issue Closing Date. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately seven days and up to 10 days from the Bid/Issue Closing Date. However, there is no assurance 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 the business, results of operations and financial condition of our Company, or other events affecting the applicant's decision to invest in the Equity Shares, would not arise between the Bid/ Issue Closing Date and the date of Allotment of Equity Shares in the Issue. Occurrence of any such events after the Bid/Issue Closing Date could also impact the market price of the Equity Shares. The applicants shall not have the right to withdraw their Bids in the event of any such occurrence. Our Company may complete the Allotment of the Equity Shares even if such events may limit the applicants' ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline.

33. ***Investors will be subject to market risks until the Equity Shares credited to the investor's demat account is listed and permitted to trade.***

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since the Equity Shares are currently traded on BSE and NSE, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account in a timely manner or that trading in the Equity Shares will commence in a timely manner.

34. ***Fluctuations in the exchange rate between the Rupee and the U.S. Dollar could have an adverse effect on the value of our Equity Shares, independent of our operating results.***

Our Equity Shares are quoted in Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will be paid in Rupees and subsequently converted into U.S. Dollars for repatriation, as required. Any adverse movement in exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors in terms of domicile currency of the investor. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders. The exchange rate between the Rupee and the U.S. dollar has changed substantially in the last two decades and could fluctuate substantially in the future, which may have an adverse effect on the value of our Equity Shares and returns from our Equity Shares, independent of our operating results.

35. ***Foreign investors are subject to foreign investment restrictions under Indian law that limit our ability to attract foreign investors, which may adversely affect the trading price of our Equity Shares.***

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 requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the specified exceptions, then prior approval of the RBI will be required. In addition, 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 or tax clearance certificate from the income tax authority. Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. 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.

36. ***Any future issuance of Equity Shares by us or sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares.***

Any future issuance of our Equity Shares by us could dilute your shareholding. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may also adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. We cannot assure you that we will not issue further Equity Shares

or that the shareholders will not dispose of, pledge or otherwise encumber their Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

37. ***After this Issue, our Equity Shares may experience price and volume fluctuations.***

The Issue Price has been determined by us in consultation with the Book Running Lead Manager, based on the Bids received in compliance with Chapter VI of the SEBI ICDR Regulations, and may not necessarily be indicative of the market price of the Equity Shares after this Issue is complete.

The trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets in general experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could adversely affect the price of our Equity Shares.

38. ***An investor will not be able to sell any of our Equity Shares subscribed in this Issue other than on a recognized Indian stock exchange for a period of 12 months from the date of this Issue.***

The Equity Shares in this Issue are subject to restrictions on transfers. Pursuant to the SEBI ICDR Regulations, for a period of 12 months from the date of the issue of Equity Shares in this Issue, QIBs subscribing to the Equity Shares in the Issue may only sell their Equity Shares on the Stock Exchanges and may not enter into any off-market trading in respect of these Equity Shares. We cannot be certain that these restrictions will not have an effect on the price and liquidity of the Equity Shares.

## **EXTERNAL RISK FACTORS**

39. ***Significant differences exist between Ind-AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Preliminary Placement Document***

Our summary statements of assets and liabilities as at March 31, 2021 and summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the Fiscals 2021 have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Ind AS Rules and in accordance with the SEBI ICDR Regulations, the SEBI Circular and the Prospectus Guidance Note.

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

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

The Indian economy is influenced by economic developments in other countries. These factors could

depress economic activity which could have an adverse effect on our business, financial condition and results of operations. Any financial disruption could have an adverse effect on our business and future financial performance.

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

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

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

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

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

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

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- prevailing regional or global economic conditions; and
- other significant regulatory or economic developments in or affecting India

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

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

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

The Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards ("ICDS"), thereby creating a new framework for the computation of taxable income. The ICDS became applicable from the assessment year for Fiscal 2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation

of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

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

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

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

43. ***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.

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

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

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

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

45. ***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.

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

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

business and financial performance and the price of our Equity Shares.

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

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax ("**GST**") regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure.

Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST, as it is implemented. The Government has enacted the GAAR which have come into effect from April 1, 2017.

The Government of India has announced the union budget for Fiscal 2021 and the Ministry of Finance has notified the Finance Act, 2020 ("**Finance Act**") on March 27, 2020, pursuant to assent received from the President, and the Finance Act will come into operation with effect from July 1, 2020. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act would have a material adverse effect on our business, financial condition and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has, in a decision clarified the components of basic wages, which need to be considered by companies while making provident fund payments. Our Company has not made relevant provisions for the same, as on date. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Further, a draft of the Personal Data Protection Bill, 2019 ("**Bill**") has been introduced before the Lok Sabha on December 11, 2019, which is currently being referred to a joint parliamentary committee by the Parliament. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

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

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

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

Shares.

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

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

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

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

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares.

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

## MARKET PRICE INFORMATION

As at the date of this Preliminary Placement Document, 1,09,24,20,988 Equity Shares are issued, subscribed and fully paid up. The Equity Shares have been listed on BSE and NSE since May 8, 2019. The Equity Shares are listed and traded on NSE under the symbol VIKASLIFE and BSE under the scrip code 542655.

On May 23, 2022, the closing price of the Equity Shares on BSE and NSE was ₹4.55 and ₹4.55 per Equity Share respectively. Since the Equity Shares are actively traded on the Stock Exchanges, the market price and other information for each of BSE and NSE has been provided separately.

The following tables set forth the reported high, low and average prices and the trading volumes of the Equity Shares on the Stock Exchange on the dates on which such high and low prices were recorded for the Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019:

### BSE

Financial Year	High (₹)	Date of High	Number of Equity Shares Traded on The Date of High	Total Turnover of the Equity Shares Traded on The Date of High (₹)	Low (₹)	Date of Low	Number of Equity Shares Traded on The Date of Low	Total Turnover of the Equity Shares Traded on The Date of Low (₹)	Average Price for the Year (₹)
2022	8.15	January 21, 2022	1,89,54,205	14,96,04,471	2.6	July 01, 2021	76,01,789	2,01,74,983	4.29
2021	20.64	August 31, 2020	47,39,268	9,69,15,884	0.93	April 9, 2020	8,41,361	7,78,694	7.09
2020*	5.13	May 8, 2019	1,23,614	6,47,467	1.14	March 31, 2020	2,211	2,520	3.01

Source: [www.bseindia.com](http://www.bseindia.com)

\*For a period from May 8, 2019 to March 31, 2020

### NSE

Financial Year	High (₹)	Date of High	Number of Equity Shares Traded on The Date of High	Total Turnover of the Equity Shares Traded on The Date of High (₹)	Low (₹)	Date of Low	Number of Equity Shares Traded on The Date of Low	Total Turnover of the Equity Shares Traded on The Date of Low (₹)	Average Price for the Year (₹)
2022	5.80	January 12, 2022	32,41,088	1,87,98,310.4	2.65#	July 1, 2021#	1,77,46,592#	4,72,79,360.80#	3.60#
2021	20.65	August 31, 2020	1,59,36,890	32,63,83,204.95	0.95	April 9, 2020	56,0297	5,33,987.80	6.36
2020*	5.15	May 8, 2019	10,54,792	56,66,589.80	1.2	March 31, 2020	20,263	24,315.60	3.12

Source: [www.nseindia.com](http://www.nseindia.com)

\*For a period from May 8, 2019 to March 31, 2020

#The shares of our Company were traded at low on July 1, 2021 and July 2, 2022. For the purpose of disclosures hereinabove, the data pertaining to July 1, 2021 has been considered on the basis of lower turnover as compared to that on July 2, 2022

### Note:

1. High and low prices are based on the daily closing prices.
2. In case of two days with the same closing price, the date with the higher volume has been chosen.
3. In the case of a year, average price for the year represents the total turnover for the year divided by the total number of shares traded during the year.

1. The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchange on the dates on which such high and low prices were recorded during each of the last six months:

#### BSE

Month	High (₹)	Date of High	Number of Equity Shares Traded on The Date of High	Total Turnover of the Equity Shares Traded on The Date of High (₹)	Low (₹)	Date of Low	Number of Equity Shares Traded on The Date of Low	Total Turnover of the Equity Shares Traded on The Date of Low (₹)	Average Price for the Month (₹)
April 2022	6.2	April 11, 2022	43,57,322	2,59,83,017	5.2	April 25, 2022	41,02,932	2,30,53,991	5.49
March 2022	6.21	March 15, 2022	52,01,910	3,19,50,008	4.53	March 8, 2022	19,37,504	93,74,530	5.37
February 2022	6.95	February 7, 2022	54,88,322	3,78,41,392	4.91	February 28, 2022	12,55,720	61,65,585	5.86
January 2022	7.97	January 21, 2022	1,89,54,205	14,96,04,471	4.43	January 3, 2022	21,58,168	95,60,684	6.14
December 2021	4.22	December 31, 2021	47,04,629	1,98,35,219	3.18	December 1, 2021	11,20,554	35,67,874	3.60
November 2021	3.67	November 1, 2021	16,42,797	59,58,173	3.16	November 29, 2021	20,81,408	65,78,756	3.41
October 2021	4.3	October 21, 2021	1,26,25,357	541,44,459	3.33	October 5, 2021	22,22,418	73,48,089	3.85

Source: [www.bseindia.com](http://www.bseindia.com)

#### NSE

Month	High (₹)	Date of High	Number of Equity Shares Traded on The Date of High	Total Turnover of the Equity Shares Traded on The Date of High (₹)	Low (₹)	Date of Low	Number of Equity Shares Traded on The Date of Low	Total Turnover of the Equity Shares Traded on The Date of Low (₹)	Average Price for the Month (₹)
April 2022	6.2	April 11, 2022	81,29,188	4,85,23,663.45	5.15	April 6, 2022	88,06,693	4,65,20,002.75	5.51
March 2022	6.15	March 15, 2022	75,92,964	4,62,66,833.75	4.65	March 8, 2022	55,11,100	2,68,26,587.25	5.41
February 2022	6.95	February 7, 2022	1,13,19,575	7,80,20,613.15	4.9	February 28, 2022	50,71,310	2,48,49,419	5.92
January 2022	7.9	January 21, 2022	2,63,27,810	20,18,75,408.60	4.25	January 3, 2022	11,82,190	50,24,307.50	5.61
December 2021	4.05	December 31, 2021	14,72,441	59,63,386.05	3.15	December 1, 2021	37,05,047	1,18,11,085.30	3.49
November 2021	3.65	November 1, 2021	37,00,599	1,33,49,257	3.15	November 29, 2021	76,09,043	2,40,92,085.85	3.17
October 2021	4.2	October 21, 2021	42,05,606	1,75,76,176.95	3.3	October 5, 2021	51,19,652	1,69,72,918.00	3.79
September 2021	3.55	September 24, 2021	41,80,106	1,48,39,376.30	3.1	September 21, 2021	27,65,044	86,27,154.55	3.33

Source: [www.nseindia.com](http://www.nseindia.com)

1. High and low prices are based on the daily closing prices.
2. In case of two days with the same closing price, the date with the higher volume has been chosen.
3. In the case of a month, average price for the month represents the total turnover for the month divided by the total number of shares traded during the month.

2. The following table set forth the details of the number of Equity Shares traded and the turnover during the last six months and the Financial Years ended March 31, 2021, 2020 and 2019 on the Stock Exchanges:

Period	Number of Equity Shares Traded (In ₹)		Turnover (In ₹)	
	BSE	NSE	BSE	NSE
Fiscal 2022	35,95,60,805	67,09,21,000	2,09,35,70,067	3,67,90,82,000.00
Fiscal 2021	64,59,87,451	1,89,65,73,802	4,57,82,08,110	12,39,71,81,411.10
Fiscal 2020*	3,53,05,636	16,04,79,768	10,61,04,287	51,57,61,345.95
March 2022	4,81,07,573	11,62,66,000	25,82,89,842	62,24,05,000.00
February 2022	3,52,32,058	10,84,58,435	20,92,55,115	64,24,07,505.50
January 2022	19,68,66,752	21,77,56,712	1,20,87,10,777	1,22,18,98,594.15
December 2021	6,51,09,686	13,92,43,175	23,46,81,249	48,54,17,715.20
November 2021	4,73,76,025	12,14,78,122	16,14,06,410	41,20,96,726.65
October 2021	8,60,58,212	16,06,49,992	33,16,30,504	60,94,90,860.90
September 2021	3,45,03,610	6,02,72,703	11,64,71,104	20,04,88,061.05

Source: [www.bseindia.com](http://www.bseindia.com) and [nseindia.com](http://nseindia.com)

\*For a period from May 8, 2019 to March 31, 2020

3. The following table sets forth the market price on the Stock Exchanges on January 11, 2022, the first working day following the approval of our Board of Directors for the Issue:

	Open	High	Low	Close	Number of equity shares traded (in lacs)	Volume (₹ in lacs)
BSE	5.68	5.68	5.68	5.68	37.99	215.78
NSE	5.55	5.55	5.55	5.55	28.51	158.26

## USE OF PROCEEDS

The gross proceeds from this Issue will be approximately ₹500 million.

The net proceeds from this Issue, after deducting fees, commissions and expenses relating to this Issue, will be approximately ₹[●] million (the "**Net Proceeds**").

Subject to compliance with applicable laws and regulations, we intend to use the net proceeds from the Issue for;

- (i) working capital requirements
- (ii) general corporate purpose including but not limited to pursuing new business opportunities, organic and inorganic and meeting the issue expenses etc, as may be permissible under the applicable law and approved by our Board or a duly constituted committee thereof from time to time to meet corporate exigencies.

The Net Proceeds are proposed to be deployed towards the purpose set out above and are not proposed to be utilized towards any specific project. Accordingly, the requirement to disclose (i) the break-up of cost of the project (ii) means of financing such project, and (iii) proposed deployment status of the proceeds at each stage of the project, is not applicable.

If the Net Proceeds are not completely utilised for the purposes stated hereinabove due to factors such as (i) economic and business conditions; (ii) increased competition; (iii) delay in procuring and operationalizing assets; (iv) receiving the necessary approvals; and (v) other commercial considerations, the same would be utilised (in part or full) as may be decided by our Board, in accordance with applicable law.

In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with RoC, and the final listing and trading approvals are received from each of the Stock Exchanges, whichever is later.

As permissible under applicable laws, our Company's management will have flexibility in deploying the Net Proceeds. The amounts and timing of any expenditure will depend on, among other factors, the amount of cash generated by our operations, competitive and market developments and the availability of acquisition or investment opportunities on terms acceptable to us. Pending utilization of the Net Proceeds, our Company intends to invest the funds in creditworthy instruments, including but not limited to money market, mutual funds and deposits with banks and corporates and other securities. Such investments will be in accordance with the investment policies approved by the Board and/ or a duly authorized committee of the Board, from time to time, and in accordance with applicable laws.

Our main object clause and objects incidental or ancillary to the main objects clause of our Memorandum of Association enables us to undertake our existing activities.

Our Company shall disclose the utilization of funds raised through the Issue in its annual report every year until such funds are fully utilized and shall file such quarterly or other statements in relation to utilization of funds as may be required under applicable laws.

Until Allotment and consequent filing of return of Allotment by our Company with the RoC, or receipt of final listing and trading approvals from the Stock Exchanges, whichever is later, the Net Proceeds shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act.

Neither our Promoters or Directors are making any contribution either as part of this Issue or separately in furtherance of the objects of this Issue.

Further, neither our Promoters nor our Directors shall receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Promoters, Directors, key managerial personnel or Senior Management Personnel are not eligible to subscribe in the Issue.

## CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization and total borrowings as at December 31, 2021 which is derived from our Limited Reviewed Unaudited Consolidated Financial Results and on a basis and as adjusted to give effect to the receipt of the gross proceed. This table should be read in conjunction with the sections "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*" on pages 65 and 159 of this Preliminary Placement Document, respectively.

(₹ in million)			
No.	Particulars	Pre Issue As at December 31, 2021 (Refer Note-1 below)	Post Issue Amount after considering the Issue (Refer Note-2 & 3 below)
1	<b>Borrowings</b>		
	Short term Borrowing	39.93	[●]
	Long term Borrowing	55.30	[●]
	<b>Total borrowings (a)</b>	<b>95.23</b>	[●]
2	<b>Shareholder's Fund</b>		[●]
	Share capital	999.67	[●]
	Securities premium	455.75	[●]
	Other equity (excluding securities premium)	132.64	[●]
3	<b>Total funds (excluding borrowings) (b)</b>	<b>1,588.06</b>	[●]
	<b>Total capitalization (a + b)</b>	<b>1,683.29</b>	[●]

Notes:

1. Amounts derived from the Limited Reviewed Unaudited Consolidated Financial Results for the nine months period ended December 31, 2021.
2. The figures included under Post Issue column relating to the shareholder's fund are derived after considering the impact due to the issue of the Equity Shares only through the qualified institutions placement assuming that the Issue will be fully subscribed and does not include any other transactions or movements/ issue related expenses.
3. Will be finalized upon determination of Issue Price.



## DIVIDENDS

The declaration and payment of dividends by our Company, if any, will be recommended by our Board and approved by our Shareholders at their discretion, subject to the provisions of the Articles of Association and the applicable laws, including the Companies Act. Our Board may also, from time to time, declare interim dividends.

Our Company has not paid any dividend on the Equity Shares in the Fiscals 2021, 2020 and 2019, and in the nine months ended December 31, 2021. Further, our Company has not declared any dividend from January 1, 2022 till the date of this Preliminary Placement Document.

The amounts paid as dividends in the past are not necessarily indicative of the dividend amounts, if any, in the future. There is no guarantee that any dividends will be declared or paid in the future or that the amount thereof will not be decreased. The form, frequency and amount of future dividends declared by our Company will depend on a number of internal and external factors and such other factors that the Board may deem relevant in its discretion, subject to the approval of our Shareholders.

The Equity Shares to be issued in connection with this Issue shall qualify for any dividend, including interim dividend, if any, that is declared in respect of the fiscal in which they have been allotted. For further information, please see the section entitled "***Description of the Equity Shares***" on page 145. For a summary of some of the restrictions that may inhibit our ability to declare or pay dividends, See "***Risk Factors – Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows***" on page 49 of this Preliminary Placement Document.

## **RELATED PARTY TRANSACTIONS**

For details of the related party transactions during (i) the nine months ended December 31, 2021, (ii) Fiscal 2021; (iii) Fiscal 2020; and (iv) Fiscal 2019, as per the requirements under Ind AS 24, please see the section entitled "***Financial Statements***" on page 159 of this Preliminary Placement Document.

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

*This Preliminary Placement Document may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Preliminary Placement Document. For further information, see "Forward-Looking Statements" and "Risk Factors" on pages 19 and 39 of this Preliminary Placement Document, respectively.*

*Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Audited Financial Statements and the Statement of Unaudited Condensed Interim Financial Statements included in this Preliminary Placement Document. The financial information for the nine month periods ended December 31, 2021 and 2020 are not comparable with our results for the full fiscal years and our financial information for the nine month periods ended December 31, 2021 are not necessarily indicative of what our financial information for Fiscal 2022 will be. For further information, see "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 159 and 65 Preliminary Placement Document, respectively.*

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information. Unless otherwise indicated, financial, operational, industry and other related information included herein with respect to any particular year refers to such information for the relevant calendar year.*

### Overview

We are engaged in the business of manufacturing recycling materials and trading of Polymer Compounds. We are an ISO 9001:2005 certified Company. Until year 2019, our Company was only engaged in the business of trading Polymer compounds. However, our Company in the year 2019 completed the acquisition of 'Recycled and Trading Compounds Division' of our group concern 'Vikas Ecotech Limited' through demerger under the scheme of arrangement approved by Hon'ble National Company Law Tribunal. Pursuant to completion of said demerger, the equity shares of our Company were listed at the Stock Exchanges, both at the NSE and BSE on May 8, 2019.

Our registered office is situated in New Delhi, with manufacturing facilities located Shahjahanpur. Our Company has recently acquired a manufacturing facility for processing of cashew nuts (purchased by us). The said manufacturing facility is at Office No. - 01, Dix Shipping Company Complex, Beach Road, Panabur, Mangalore, Karnataka – 575 016. However, as on date, the said manufacturing facility is yet to be fully operational.

### Factors Affecting Our Financial Condition and Results of Operations

We are a company engaged in the Manufacturing and Trading of Speciality Chemicals, FMCG and Polymers products. Our results of operations have been, and will continue to be, affected by a number of events and actions, some of which are beyond our control including the performance of the Indian economy and the Speciality Chemicals, FMCG and Polymers industries and the price of raw materials.

However, there are some specific items that we believe have impacted our results of operations, and in some cases, may continue to impact our results of operations on a consolidated level and at our individual projects in future. In this section, we discuss some of the significant factors that we believe have or could have an impact on our revenue and expenditure.

### Compliance with environmental laws and regulations

We are subject to central and state environmental laws and regulations, which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from its operations. In case of any change in environmental or pollution laws and regulations, we may be required to incur significant amounts on, among other things, environmental monitoring, pollution control equipment and emissions management. In addition, failure to comply with environmental laws may result in the assessment of penalties and fines against us by regulatory authorities.

## Impact of Covid-19

The emergence of COVID-19, which is declared a pandemic by the World Health Organization, is having a noticeable impact on global economic growth. According to International Monetary Fund, the global GDP is expected to decline by 0.3% in 2020. According to World Trade Organization (WTO), global trade volumes are projected to decline between 13% and 32% in 2020 as a result of the economic impact of COVID-19. The pandemic is affecting operations of various industries such as automotive, oil and gas, construction, aerospace, and others, as most of countries have issued "stay at home guidance". Moreover, it is expected that the outbreak of COVID-19 will be seen in the whole year of 2020, and few months in 2021. As, polymer products are extensively used in these industries, the declining operations of these industries is directly affecting Polymers Market growth. The pandemic (COVID-19) is an unprecedented global crisis that, by many calculations will have a deep and devastating economic and social impact along with taking a toll on human lives. COVID-19, the pandemic has impacted the entire global economy and the plastic and rubber polymers industry is no exception. COVID-19 hits the economy where it hurts: consumer confidence, which slows downstream demand in many segments. Polymer demand is impacted in the short, medium, and long term. The intensity of the effect differs according to the market segments. A negative demand impact continued in Fiscal 2022. This crisis has caused deep destruction of personal wealth and economic uncertainty, consumers have also reduce discretionary spending on leisure, entertainment, travel and tourism, and eating out, which is impacting and will continue to impact related plastics consumption.

## Success of our R&D

Trading and carrying out recycling process in the chemical industry, as vast as the chemical industry is spread, the greater is the need to continuously work on the Research and Development aspect of the sector. Our Company is well aware of the only improvisation and the product quality is the vital for the growth and sustainability of our Company. R&D is one of the driving forces for expansion in our Company. Research and development is one of our key strengths and is integral to our growth. We continue to build on our capabilities and competencies in the field of chemistry. Our in-depth expertise in process research, process development and analytical references enables us to provide integrated solutions to our global customers.

If we fail to carry out Research and Development in a timely manner, it may adversely affect our business, results of operations, cash flows and financial condition.

## Capacity Utilization

The details of installed capacities for manufacturing of the Polymer Compounds granted to us and the capacity utilised by us are detailed through the table given below;

Polymer Compound	Installed Capacity	Capacity Utilised*
EVA Compound	1,000 MT/Annum	214.1 MT/Annum
V-blend SOE Compound	1,000 MT/Annum	6.00 MT/Annum
TPE Compound	1,000 MT/Annum	3.00 MT/Annum
TPR Compound	2,000 MT/Annum	87.45 MT/Annum
PVC Compound	2,500 MT/Annum	314.00 MT/Annum
PP Compound	2,500 MT/Annum	206.00 MT/Annum

\*for nine months ending December 31, 2021

## Significant Accounting Policies

### *Basis of preparation and presentation*

The Standalone Financial Statements have been prepared on the historical cost basis, except for certain Land and Building from "Property, Plant and Equipment", financial instruments and defined benefit plans which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current or non-current as per our Company's normal

operating cycle and other criteria set out in the Schedule III to the Act

***Critical accounting estimates, assumptions and judgements***

The preparation of the Standalone Financial Statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the Standalone Financial Statements and the reported amounts of income and expense for the periods presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

(i) ***Estimation of defined benefit obligation***

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(ii) ***Estimation of current tax and deferred tax***

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax assets could change if management estimates of projected future taxable income or if tax regulations undergo a change.

(iii) ***Useful lives of depreciable/amortizable assets***

Management reviews the estimated useful lives and residual value of PPE and Intangibles at the end of each reporting period. Factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently the future depreciation charge could be revised and may have an impact on the profit of the future years.

(iv) ***Impairment of trade receivables***

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 are written off when management deems them not to be collectible. Impairment is recognised based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

(v) ***Fair value measurement***

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (refer note 42).

(vi) ***Evaluation of indicators for impairment of assets***

The evaluation of applicability of indicators of impairment of assets is based on assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

(vii) ***Provisions and contingencies***

From time to time, our Company is subject to legal proceedings, the ultimate outcome of each being subject to uncertainties inherent in litigations. A provision for litigation is made when it is considered probable that a payment will be made and the amount can be reasonably estimated. Significant judgement is required when evaluating the provision including, the probability of an unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Provisions for litigations are reviewed at each accounting period and revisions made for the changes in facts and circumstances. Contingent liabilities are disclosed in the notes forming part of the Standalone Financial Statements. Contingent assets are not disclosed in the Standalone Financial Statements unless an inflow of economic benefits is probable.

***Revenue Recognition***

Revenue is recognised to the extent that it is probable that the economic benefits will flow to our Company and the revenue can be reliably measured, regardless of when the payment is being made. Amount of sales are net of goods and service tax, sale returns, trade allowances and discounts but inclusive of excise duty. Effective 01 April 2018, our Company adopted Ind AS 115 "Revenue from Contracts with customers" using the modified retrospective method. Under the modified retrospective method, an entity applies Ind AS 115 only for contracts that are not completed on or before 31 March 2018. To determine whether to recognize revenue, our Company follows a 5-step process:

1. Identifying the contract with a customer;
2. Identifying the performance obligations;
3. Determining the transaction price;
4. Allocating the transaction price to the performance obligations; and
5. Recognising revenue when/as performance obligation(s) are satisfied.

Our Company considers the terms of the contract and its customary business practice to determine the transaction price.

In all cases, the total transaction price is allocated amongst the various performance obligations based on their relative standalone selling price. The transaction price excludes amounts collected on behalf of third parties. The consideration promised include fixed amounts, variable amounts, or both.

Revenue is recognised either at a point in time or over time, when (or as) our Company satisfies performance obligations by transferring the promised goods or services to its customers.

For each performance obligation identified, our Company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at point in time. If any entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. A receivable is recognised where our Company's right to consideration is unconditional (i.e. any passage of time is required before payment if the consideration is due).

When either party to a contract has performed, an entity shall present the contract in the balance sheet as contract asset or contract liability, depending on the relationship between the entity's performance and the customer's payment.

While this represents significant new guidance, the implementation of this new guidance had no impact on the timing or amount of revenue recognised by our Company in any year. Our Company continues to account for export benefits on accrual basis.

***Other Income***

All other income is recognized on accrual basis when no significant uncertainty exists on their receipt.

## Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to our Company and the amount of income can be measured reliably. Interest is accrued on time proportion basis, by reference to the principle outstanding at the effective interest rate.

## Dividends

Income from dividend on investments is accrued in the year in which it is declared, whereby our Company's right to receive is established.

## Result of Operations:

(₹ in million)

Particulars	For the year ended March 31					
	2021	% of Total Revenue	2020	% of Total Revenue	2019	% of Total Revenue
<b><u>Revenue:</u></b>						
Sales of products manufactured	711.97	93.67	1,530.27	96.68	2,132.71	97.30
Sales of Services	37.97	5.00	31.03	1.96	25.53	1.16
<b>Revenue From Operations (Net of Taxes)</b>	<b>749.95</b>	<b>98.66</b>	<b>1,561.30</b>	<b>98.64</b>	<b>2,158.24</b>	<b>98.47</b>
Other Income	10.15	1.34	21.56	1.36	33.61	1.53
<b>Total Revenue</b>	<b>760.10</b>	<b>100.00</b>	<b>1,582.86</b>	<b>100.00</b>	<b>2,191.85</b>	<b>100.00</b>
<b><u>Expenses:</u></b>						
Cost of Material Consumed	243.78	32.07	1,348.69	85.21	607.43	27.71
Purchase of Stock in Trade	333.55	43.88	212.27	13.41	1,494.69	68.19
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	60.26	7.93	-136.39	-8.62	-67.35	-3.07
Employee benefit expenses	6.56	0.86	9.93	0.63	11.58	0.53
Financial Cost	53.54	7.04	50.12	3.17	62.10	2.83
Depreciation and amortization expenses	6.84	0.90	7.42	0.47	7.22	0.33
Others Expenses	28.07	3.69	24.62	1.56	61.32	2.80
<b>Total Expenses</b>	<b>732.61</b>	<b>96.38</b>	<b>1,516.65</b>	<b>95.82</b>	<b>2,176.97</b>	<b>99.32</b>
<b>Profit before exceptional, extraordinary items and tax</b>	<b>27.49</b>	<b>3.62</b>	<b>66.20</b>	<b>4.18</b>	<b>14.87</b>	<b>0.68</b>
Less: Exceptional Items	-42.49	-5.59	-41.15	-2.60	14.70	0.67
<b>Profit before extraordinary items and tax (A-B)</b>	<b>-15.00</b>	<b>-1.97</b>	<b>25.06</b>	<b>1.58</b>	<b>29.57</b>	<b>1.35</b>
<b>Profit before tax</b>	<b>-15.00</b>	<b>-1.97</b>	<b>25.06</b>	<b>1.58</b>	<b>29.57</b>	<b>1.35</b>
Tax expense:						
Current tax	13.75	1.81	8.39	0.53	11.26	0.51
Deferred Tax	2.92	0.38	3.31	0.21	-5.13	-0.23
Prior Period tax Adjustments	3.36	0.44	-0.61	-0.04	2.67	0.12
<b>Total Tax Expenses</b>	<b>20.02</b>	<b>2.63</b>	<b>11.09</b>	<b>0.70</b>	<b>8.80</b>	<b>0.40</b>
<b>Profit/(Loss) for the period After Tax (PAT)</b>	<b>-35.02</b>	<b>-4.61</b>	<b>13.97</b>	<b>0.88</b>	<b>20.78</b>	<b>0.95</b>

## **Comparison of FY 2020-21 with FY 2019-20**

### **Revenue from Operations:**

The revenue from operation of our Company has decreased from ₹1,530.27 million in FY 2019-20 to ₹711.97 million in FY 2020-21 showing a decrease of 53.47%. This decrease was due to the effects of the COVID-19 pandemic.

### **Other Income:**

Our other income decreased by 52.91% from ₹ 21.56 million in FY 2019-20 to ₹ 10.15 million in FY 2020-21. Interest income is received less in comparison to previous year and there is no profit on sale of fixed assets which has resulted in decrease in other income for FY 2020-21.

### **Expenditure**

Employee benefit expenses decreased by 33.90% from ₹ 9.93 million in FY 2019-20 to ₹ 6.56 million in FY 2020-21. Expenditure on labour and staff were less in comparison to previous year.

### **Other Expenses**

Our other expenses increased by 14.02 % from ₹24.62 million in FY 2019-20 to ₹ 28.07 in FY 2020-21. Other expense mainly includes Advertisement, Printing & Stationery expenses.

### **Cost of Material Consumed:**

Material Consumed Cost decreased to ₹243.78 million in FY 2019-20 as compared to FY 2020 -21. The business activity has decreased resulting in lower "Cost of Goods Sold" in comparison to previous years.

### **Depreciation**

Depreciation decreased by 7.74% from ₹7.42 million in FY 2019-20 to ₹6.84 million in FY 2020-21.

## **Comparison of FY 2019-20 with FY 2018-19**

### **Revenue from Operations:**

The operating income of our Company for the year ending March 31, 2020 is ₹1530.27 million as compared to ₹2,132.71 million in FY 2020-21, showing a decrease of 28.20%. Sales revenue has decreased in comparison to previous year.

### **Other Income:**

Our other income decreased by 35.90% from ₹33.61 million in FY 2018-19 to ₹21.56 million in FY 2019-20. Interest income is received less in comparison to previous year and there is no profit on sale of Fixed assets which has resulted in decrease in other income for FY 2020-21.

### **Expenditure**

Employee benefit expenses decreased from ₹ 11.58 million in FY 2018 to ₹ 9.93 million in FY 2019-20. Expenditure on labour and staff were less in comparison to previous year.

### **Other Expenses**

Our other expenses decreased by 59.90% from ₹ 61.32 million in FY 2018-19 to ₹24.62 million in FY 2019-20. Other expense decrease in comparison to previous year.



**Cost of Material Consumed:**

Material Consumed Cost increased by 122.03% from ₹607.43 million in FY 2018-19 to ₹1,348.69 million in FY 2019-20.

**Depreciation**

Depreciation increased by 2.71% from ₹7.22 million in FY 2018-19 to ₹7.42 million in FY 2020-21. The Increase in depreciation was majorly due to Increase in fixed Assets.

**Profit before Tax**

Profit before tax decreased from ₹29.57 million in FY 2018-19 to ₹ 25.06 million in FY 2019-20.

Our Company is not able to generate higher net profit before tax.

**Financial Condition, Liquidity and Capital Resources***Cash Flows*

Particulars	For the Year ended March 31		
	2021	2020	2019
Net cash generated from/ (used in) operating activities	-76.82	35.21	-115.93
Net cash flows from / (used in) Investing Activities	119.21	-11.491	0.17
Net cash flows from / (used in) Financing Activities	-42.69	-36.99	129.97
Net Increase / (Decrease) in Cash and Cash Equivalents	-0.30	-13.27	14.21

*Operating Activities*

Net cash used in operating activities was ₹ 76.82 million for the financial year 2021. We had a profit before tax and share of (loss)/profit and after exceptional items of ₹ (15.00) million, which was primarily adjusted for interest expenses of ₹ 53.54 million and working capital adjustments such as decrease in inventories of ₹ 31.59 million, decrease in trade receivables of ₹ 1051.20 million, increase in other current and non-current assets of ₹ 23.49 million, increase in trade payables of ₹ 1129.80 million, decrease in other financial liabilities of ₹ 2.06 million and increase in other current liabilities of ₹ 79.76 million.

Net cash generated in operating activities was ₹ 35.21 million for the financial year 2020. We had a profit before tax and share of (loss)/profit and after exceptional items of ₹ 25.06 million, which was primarily adjusted for interest expenses of ₹ 50.12 million and working capital adjustments such as increase in inventories of ₹ 20.96 million, increase in trade receivables of ₹ 329.45 million, increase in financial assets and other assets of ₹126.53 million, decrease in trade payable of ₹ 319.62 million, decrease in other financial liabilities of ₹ 2.13 million and decrease in other current liabilities of ₹132.85 million.

Net cash used in operating activities was ₹ 115.93 million for the financial year 2019. We had a profit before tax and share of (loss)/profit and after exceptional items of ₹ 29.57 million, which was primarily adjusted for interest expenses of ₹ 62.10 million and working capital adjustments such as increase in inventories of ₹ 134.52 million, increase in trade receivables of ₹ 302.32 million, increase in financial assets and other assets of ₹72.75 million, decrease in trade payable of ₹267.26 million, decrease in other financial liabilities of ₹ 0.25 million and decrease in other current liabilities of ₹69.49 million.

*Investing Activities*

Net cash generated from investing activities was ₹ 119.21 million for the financial year 2021, which primarily related to movement (inflow) in proceeds of Investment of ₹ 131.02 million, proceeds from loans received back of ₹ 10.00 million and interest received of ₹ 2.34 million.

Net cash used in from investing activities was ₹ 11.49 million for the financial year 2020, which primarily related to movement (outflow) in stock converted into investment in property of ₹ 66.99 million.

Net cash generated from investing activities was ₹ 0.17 million for the financial year 2019, which primarily related to purchase of property, plant and equipment of ₹ 9.01 million, proceed from sale of fixed asset of ₹ 0.45 million and proceed from sale of investment of ₹ 2.93 million

#### *Financing Activities*

Net cash used in financing activities was ₹ 42.69 million for the financial year 2021. This primarily resulted from repayment of borrowings from banks of ₹96.19 million, and interest and other borrowing costs paid of ₹ 53.54 million.

Net cash used in financing activities was ₹ 36.99 million for the financial year 2020. This primarily resulted from repayment of borrowings from banks of ₹28.68 million, and interest and other borrowing costs paid of ₹ 50.11 million.

Net cash generated in financing activities was ₹ 129.97 million for the financial year 2019. This primarily resulted from proceeds from borrowings from banks of ₹ 192.07 million, repayment of interest and other borrowing costs paid of ₹ 62.10 million.

#### **Contingent Liabilities and Commitments**

As of March 31, 2021, our contingent liabilities are as set out in the table below:

		(₹ in million)
No.	Particulars	As at March 31, 2021
<b>Claims against our Company not acknowledged as debts</b>		
1.	Direct Tax laws*	0.79
2.	Custom Duty**	1.25
3.	Bank Guarantees issued by the bank on behalf of our Company***	3.00
4.	Facility availed by related parties on the property in the possession of our Company****	4.59

\* Income Tax dispute for the A.Y. 2016-17 amounting to Rs. 60,4220 pending at ITAT, Delhi Authority and Pending dispute for the A.Y. 2017-18 to Rs. 45,03,140/- at CIT(A), Delhi and Income Tax Dispute for the A.Y. 2018-19 amounting to Rs. 29,23,280/- as per order dated January 19, 2021.

\*\* Our Company has contingent liabilities on export obligation dues.

\*\*\* Above figures are stated without considering margin money given by our Company, for margin money details please refer to "Financial Statements" on page 159 of the Preliminary Placement Document.

\*\*\*\* Land Include Property at SIIDCO ,Shamba Jammu and Kashmir, Land at Khasar No. 41/4 , Sultanpur Dabas ,Delhi-110084, which s in the name of M/s Vikas Ecotech Limited. The said land was transferred to M/s Vikas Multicorp Limited vide Demerger of M/s Vikas Ecotech Limited . Further such land is hypothecated against Cash credit Limit availed by M/s Vikas Ecotech Limited under consortium finance by M/s Punjab National Bank, State Bank of India and Bank of Baroda. A total Cash credit Limit includes fund base limit and Non fund base limit of Rs 157.00 Crore . The Directorate of Enforcement, Delhi Zonal Office, New Delhi has issued a provisional attachment order ("Order") bearing number 04/2020 and file number ECIR/10/DZ-1/2017 under Section 5(1) of the Prevention of Money Laundering Act, 2002 ("PMLA") against our Company, its then Director Mr. Vishal Garg and other third parties. Through the said attachment, bank account SBI Bank, Naryana Vihar, New Delhi maintained with has been attached for an amount of Rs. 6,20,721/-. There is demand of Rs 6,83,570.90 for past outstanding TDS demand as per traces site as at 31.03.2021

#### **Related Party Transactions**

We enter into various transactions with related parties in the ordinary course of business. Primarily these transactions include purchase and sale of goods, remuneration paid, salaries, sitting fee, rent paid, etc. For further details relating to our related party transactions, see "**Financial Statements**" on page 159 of this Preliminary Placement Document.

#### **Quantitative and Qualitative Disclosures About Market Risk**

We are exposed to market risk (fluctuation in foreign currency exchange rates, interest rate and fiscal risk), liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. We assess the unpredictability of the financial environment and seeks to mitigate potential adverse effects on our financial

performance.

(A) *Market risk*

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, debt and equity investments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(i) *Foreign currency risk*

Currency risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in the foreign exchange rate. Our Company has exposure to foreign currency risk on account of its payables and receivables in foreign currency which are mitigated through the guidelines under the approved foreign currency risk management policy. Our Company enters into forward foreign exchange contracts to mitigate the foreign currency risk.

(ii) *Interest rate risk*

Our Company's main interest rate risk arises from long-term borrowings with variable rates, which expose our Company to cash flow interest rate risk. Any rise in market rate of interest effective effecting valuation of financial instruments, financial assets and financial liabilities have been regularly analyzed for mitigation measure.

(iii) *Fiscal risk*

Our Company does not foresee any material fiscal risk pertaining to its overseas transactions with related parties in respect of which its application for advance pricing agreement is pending before fiscal authorities for years even though authorities make any upward revision of prices. Though overseas transactions with related parties for many years are conducted as per application made for advance pricing agreement, impact of any upward revision of prices of any of the items of out- put is unlikely to give rise to any additional financial liability considering huge carry forward loss and unabsorbed depreciation as per company's income tax return.

(B) *Credit risk*

Credit risk arises from the possibility that the counter party may not be able to settle their obligations. To manage trade receivable, our Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and ageing of such receivables. Our Company computes an allowance for impairment of trade receivables for unrelated parties based on a simplified approach that represents its expected credit losses. Our Company uses an allowance matrix to measure the expected credit loss of trade receivables.

Loss rates are based on actual credit loss experienced over the past 3 years. These loss rates are adjusted with scalar factors to reflect differences between current and historical economic conditions and the management's view of economic conditions over the expected lives of the receivables. Financial instruments that are subject to such risk, principally consist of investments, trade receivables and other loans and advances. None of the financial instruments of our Company results in material concentration of credit risks.

(C) *Liquidity risk*

Liquidity risk refers to the risk that our Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure funds are available for use as per the requirements. Our Company mitigates liquidity risk by way of formulation of cash budget and comparison of actual cash flows with budget on a continuous basis.

### **Unusual or Infrequent Events or Transactions**

Except as described in this Preliminary Placement Document, there have been no other events or transactions that, to our knowledge, may be described as "unusual" or "infrequent".

### **Known Trends or Uncertainties**

Other than as described in this section and in "**Risk Factors**" on page 39 of this Preliminary Placement Document to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.

### **Future Relationship Between Cost and Revenue**

Other than as described in this section, "**Risk Factors**" and "**Our Business**" on pages 39 and 92 of this Preliminary Placement Document, respectively, to our knowledge there are no known factors that will have a material adverse impact on our operations and finances.

### **New Products or Business Segments**

Except as disclosed in "**Our Business**" on page 92 of this Preliminary Placement Document we have not announced and do not expect to announce in the near future any new products or business segments.

### **Seasonality of Business**

Our Company's business is not seasonal in nature.

### **Significant Developments after December 31, 2021 that may affect our future results of operations**

1. Our Company, acquired 75% shares of Genesis Gas Solutions Private Limited ("**Genesis**") from the then shareholders of Genesis on January 12, 2022.
2. Our Company, on January 10, 2022 had made the first and final call of ₹1.70 (comprising ₹0.60 towards face value and ₹1.10 towards securities premium) per partly paid-up equity share, on 17,69,32,132 outstanding partly paid-up equity shares of face value ₹1 each, issued by the Company on a rights basis, pursuant to its Letter of Offer dated October 26, 2021 ("**Partly-Paid Shares**"). The shareholders of the Partly-Paid Shares, whose names appeared on record date fixed for the purpose i.e. January 14, 2022, were required to pay the first and final call between January 20, 2022 and February 3, 2022. Upon receipt of the call of the first and final call on 16,35,27,295 Partly-Paid Shares aggregating to ₹27,79,96,402 representing around 92.42% of the amount due, 16,35,27,295 Partly-Paid Shares were approved for and transitioned in to fully paid-up equity shares of our Company.

For the remainder Partly Paid Shares i.e. 1,34,04,837 Partly-Paid Shares, our Company sent out the first reminder notice on March 28, 2022 to the shareholders of the 1,34,04,837 Partly-Paid Shares for payment of first and final call amount of ₹1.70 each on the remaining 1,34,04,837 Partly-Paid Shares between April 4, 2022 and April 18, 2022. Subsequently, upon receipt of the call of the first and final call on 71,46,781 Partly-Paid Shares, our Company approved for and transitioned the 71,46,781 Partly-Paid Shares.

3. On February 1, 2022, our Subsidiary, Genesis, has successfully developed and integrated LoRa® technology Meter Interface Units into pre-paid and post-paid gas meters, which are deployed and currently operational at Indraprastha Gas limited and is also in advance stages of designing and manufacturing LoRa® Modem, LoRa® Gateways and Application Servers for LoRa® end devices.
4. Our Subsidiary, Genesis has entered into a MoU dated February 7, 2022 with "S I C K" India Private Limited, a subsidiary of "S I C K" A.G. a company registered under the laws of Germany, for promotion and marketing of a certain type of ultrasonic gas meters in a pre-defined geographical territory including India and certain Asian countries as well, with an initial sales target of ₹450 million, for the first year.

5. Our Company acquired a manufacturing facility for processing of cashew nuts (purchased by us). The said manufacturing facility is at Office No. - 01, Dix Shipping Company Complex, Beach Road, Panabur, Mangalore, Karnataka – 575 016. However, as on date, the said manufacturing facility is yet to be fully operational.
6. Our Company, on February 21, 2022 has announced that the Company has received its first bulk-load export order of 1500 MT of premium rice, valued at about ₹85 million to be executed within the month of February 2022.
7. Our Company has entered into an White Sugar for Export Purchase Agreement on March 2, 2022 with M/s Bidar Kissan Shakhar Karkhana Limited which has added to the business of our Company, crystal sugar and allied products for export.
8. Our Company, on May 12, 2022, entered into a Mutual Non-Disclosure Agreement to form a strategic alliance with Amity University, Uttar Pradesh, India, to strengthen our Company's R&D activities, technology transfers and for improving and augmenting our Company's product offerings.

## INDUSTRY OVERVIEW

*The information contained in 'Industry Overview' in this section is derived from publicly available sources. Neither we, nor any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.*

*Data in this section may have been re-classified by us for the purposes of presentation. The accuracy and completeness of the industry sources and publications referred to by us, and the underlying assumptions on which such sources and publications are based, are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Further, statements in this section that are not statements of historical fact constitute "forward-looking statements". Such forward-looking statements are subject to various risks, assumptions and uncertainties and certain factors could cause actual results to materially differ. Accordingly, prospective investors should not base their investment decision, or otherwise place undue reliance, on this information.*

### **Global Outlook**

According to the World Bank, the global economy is on a path of robust recovery, with a projected growth of 5.6% in 2021—the strongest post-recession pace in 80 years. The real GDP of advanced economies is projected to expand by 5.4% whereas emerging markets and developing economies are expected to grow by 6.0%. However, the pace of recovery is diverging across countries, reflecting variations in pandemic-induced disruptions and the extent of policy support.

In the first half of 2021, the global recovery was primarily led by the US and China. The two largest economies are expected to grow by 6.8% and 8.5%, respectively, and are likely to contribute about one quarter each of global growth in 2021. Recovery in several emerging markets and developing economies is likely to be constrained by the resurgence of Covid-19 infections, uneven vaccinations, and limited fiscal space.

Inflation is emerging as a key risk to sustainable global economic recovery. Energy and industrial commodity prices have continued their upward surge. Average crude oil prices in Q2 increased by >13% q/q due to both higher demand and OPEC-induced supply constraints. The average price of aluminum and copper also increased by >14% in Q2/Q1. The IMF has warned that rising inflation, notably in the US, can pose significant risks of an earlier-than-expected tightening of monetary policy by the Federal Reserve, which could lead to significant capital outflows from emerging economies. Therefore, we would do well to make our policy environment as attractive as possible to foreign investors.

Compared to steady expansion in the first five months of 2021, the global Purchasing Managers' Index (PMI) recorded slower growth in June and July. However, it continues to remain in the expansion zone. In Asia, the manufacturing PMI witnessed deceleration in China. In India, manufacturing PMI rose to a three-month high of 55.3 in July, reflecting likely expansion of manufacturing activity in the coming months. India's services PMI improved to 45.4 but remained in the contraction zone.

### **Markets**

With countries around the world ramping up their vaccination campaigns, especially in Europe and the US, the global equity market rose in the second quarter of 2021. The second quarter was strong for US equities. The S&P 500 had a strong start in this period. Almost all sectors made gains and reached a new all-time high in late June. Eurozone shares gained and the earnings for the first quarter of 2021 were generally very robust, except in the healthcare sector. UK equities performed well over the second quarter and small and mid-cap ("SMID") equities outperformed during this time period. Emerging market requisite registered a strong return.

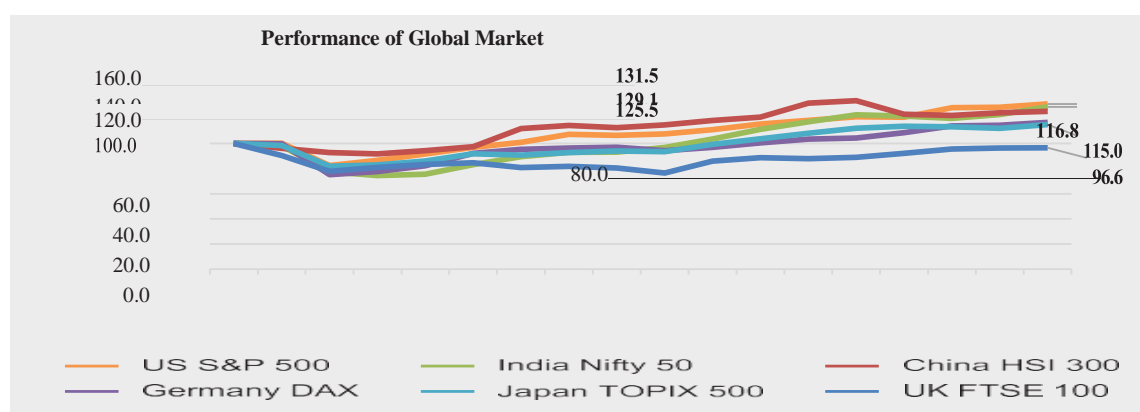
Subsequent to a fairly robust recovery in the March quarter, the Indian economy was impacted by a much stronger Covid second wave, leading to imposition of strict curbs across states and decline in economic activity. High-

frequency indicators, such as PMI, cement and steel production, power demand, auto sales, etc., show that recovery was negatively impacted in the June quarter. The RBI, in the monetary policy review in June, lowered its projection of real GDP growth for FY22 from 10.5% to 9.5%.

However, as per consensus estimates, despite downward revision in GDP growth projections, India is expected to be amongst the fastest-growing major economies in the world. A strong rebound is expected on the back of rapid vaccinations, a recovering monsoon boosting agricultural output, thrust on infrastructure investments by the Government, growth in exports, which have performed remarkably during April–June registering a growth of 18% over the same period in the pre-pandemic year of 2019-20. We also expect consumption to recover in the third and fourth quarters of the fiscal year.

US S&P 500	131.5	India Nifty 50	129.1
China HSI 300	125.5	Germany DAX	116.8
Japan TOPIX 500	115.0	UK FTSE 100	96.6

(Source: Niti Ayog.)



### Policy Support and Vaccines Expected to Lift Activity

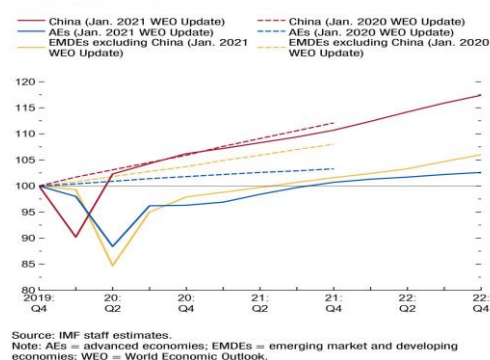
Although recent vaccine approvals have raised hopes of a turnaround in the pandemic later this year, renewed waves and new variants of the virus pose concerns for the outlook. Amid exceptional uncertainty, the global economy is projected to grow 5.5 percent in 2021 and 4.2 percent in 2022. The 2021 forecast is revised up 0.3 percentage point relative to the previous forecast, reflecting expectations of a vaccine-powered strengthening of activity later in the year and additional policy support in a few large economies.

The projected growth recovery this year follows a severe collapse in 2020 that has had acute adverse impacts on women, youth, the poor, the informally employed, and those who work in contact-intensive sectors. The global growth contraction for 2020 is estimated at -3.5 percent, 0.9 percentage point higher than projected in the previous forecast (reflecting stronger-than-expected momentum in the second half of 2020).

The strength of the recovery is projected to vary significantly across countries, depending on access to medical interventions, effectiveness of policy support, exposure to cross-country spillovers, and structural characteristics entering the crisis (Figure 1).

Policy actions should ensure effective support until the recovery is firmly underway, with an emphasis on advancing key imperatives of raising potential output, ensuring participatory growth that benefits all, and accelerating the transition to lower carbon dependence. As noted in the October 2020 World Economic Outlook (WEO), a green investment push coupled with initially moderate but steadily rising carbon prices would yield needed emissions reductions while supporting the recovery from the pandemic recession.

**Figure 1. Divergent Recoveries: WEO Forecast for Advanced Economies and Emerging Market and Developing Economies**  
(Index, 2019:Q4 = 100)



Source: IMF staff estimates.  
Note: AEs = advanced economies; EMEs = emerging market and developing economies; WEO = World Economic Outlook.

Strong multilateral cooperation is required to bring the pandemic under control everywhere. Such efforts include bolstering funding for the COVAX facility to accelerate access to vaccines for all countries, ensuring universal distribution of vaccines, and facilitating access to therapeutics at affordable prices for all. Many countries, particularly low-income developing economies, entered the crisis with high debt that is set to rise further during the pandemic. The global community will need to continue working closely to ensure adequate access to international liquidity for these countries. Where sovereign debt is unsustainable, eligible countries should work with creditors to restructure their debt under the Common Framework agreed by the G20.

(Source: *International Monetary Fund, Niti Ayog*)

### **Indian Outlook**

After the 2020 huge GDP contraction, economic growth is projected to bounce back in 2021, driven by pentup demand for consumer and investment goods, before declining in 2022. The dramatic infections upsurge since February has weakened the nascent recovery and may compound financial woes of corporates and banks. As public anxiety over the virus spreads and lockdowns multiply, high-frequency indicators suggest that a marked slowdown may have taken place in the April-June quarter, although the overall annual impact is likely to be muted. Wholesale and retail inflation rates remain elevated, but within the target range of the central bank.

The damage that COVID-19 continues to inflict on the poor makes it necessary to prioritise policies that reduce scarring effects, in particular for children that have been out of school for months, and increase investment and employment opportunities. The banking sector remains fragile, although the proposal to create an asset recovery company and the planned privatisation of two public banks testify to the authorities' commitment to reforms. The healthy foreign exchange reserves position should provide sufficient buffers to deal with any potential external shock-driven capital-stop or outflows in the period ahead.

India's new confirmed COVID-19 virus infections have risen very rapidly, from a daily minimum of 13,000 cases in late January to more than 400 000 in early May. Although about 20% of the population is estimated to have antibodies, a rapidly transmissible strain doing the rounds, laxity in the application of social distancing and chronic underinvestment in public health make the situation calamitous. Localised containment measures have been reinstated and are impacting mobility, but a new nation-wide lockdown is unlikely. The inoculation rollout is slow, with domestic take-up far below the pace needed to meet the goal of vaccinating 300 million people by August. The National COVID-19 Vaccination Programme that has come into effect in May 2021 could help close that gap, notably by increasing vaccine supply and opening access to anybody beyond the age of 18.

### ***India: Demand, output and prices***

	2017	2018	2019	2020	2021	2022
	Current prices INR trillion	Percentage changes, volume (2011/2012 prices)				
<b>India</b>						
<b>GDP at market prices</b>	170.9	6.5	4.0	-7.7	9.9	8.2
Private consumption	100.4	7.6	5.5	-10.5	9.3	7.0
Government consumption	18.4	6.3	7.9	-1.9	9.8	3.9
Gross fixed capital formation	48.2	9.9	5.4	-14.0	16.3	16.4
Final domestic demand	166.9	8.1	5.8	-10.7	11.2	9.3
Stockbuilding <sup>1,2</sup>	9.4	0.4	-0.7	-1.1	0.0	0.0
Total domestic demand	176.3	5.9	4.4	-9.8	12.2	9.6
Exports of goods and services	32.1	12.3	-3.3	-6.9	14.9	6.5
Imports of goods and services	37.5	8.6	-0.8	-16.5	25.7	13.0
Net exports <sup>1</sup>	- 5.4	0.4	-0.5	2.4	-2.4	-1.7
<b>Memorandum items</b>						
GDP deflator	—	3.7	3.6	3.6	3.9	5.2
Consumer price index	—	3.4	4.8	6.5	5.4	4.8
Wholesale price index <sup>3</sup>	—	4.3	1.7	0.6	4.0	3.7
General government financial balance <sup>4</sup> (% of GDP)	—	-5.5	-6.5	-10.0	-9.6	-7.0
Current account balance (% of GDP)	—	-2.1	-0.9	1.4	-0.4	-1.4

Note: Data refer to fiscal years starting in April.

1. Contributions to changes in real GDP, actual amount in the first column.

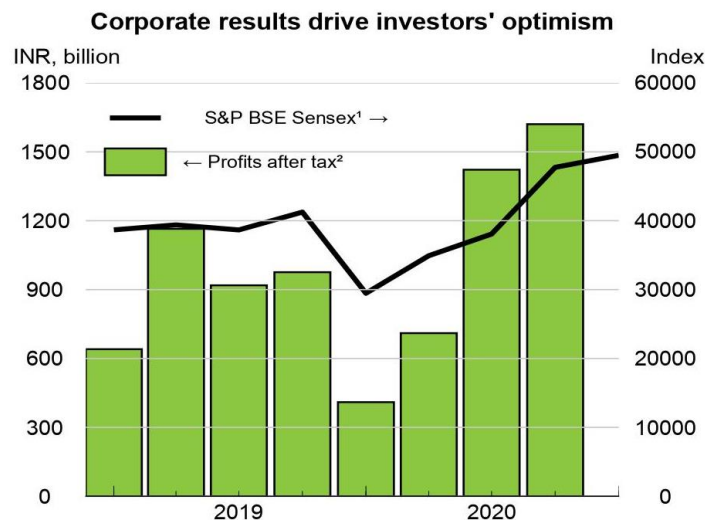
2. Actual amount in first column includes statistical discrepancies and valuables.

3. WPI, all commodities index.

4. Gross fiscal balance for central and state governments.

Source: OECD Economic Outlook 109 database.





1. Data refer to the value at the end of each quarter. The latest data point refers to 17 May 2021.

2. Net of prior period and extra-ordinary transactions.

3. Estimate for the first quarter of 2021 based on monthly and weekly data.

Source: OECD Economic Outlook 109 database; Reserve Bank of India; Refinitiv; and Centre for Monitoring Indian Economy (CMIE).

Backed by strong foreign institutional investment ("FII") inflows and robust earnings in the March 2021 quarter, the Indian stock markets also traded at record high levels. Both the benchmark indices, Nifty 50 and S&P BSE Sensex, scaled new heights. After Fils sold equities worth USD 1.3 billion in April 2021 and USD 0.4 billion in May 2021, they invested USD 2.4 billion in Indian equities in June 2021. On the debt side, Fils pulled out funds from Indian debt instruments through June 2021 and made net sales worth USD 0.7 billion. This was the sixth consecutive month when they remained net sellers of the Indian debt.

### India expected to fare better than developed economies and recover to a high growth path in the coming years

India's real gross domestic product ("GDP") has sustained an average growth between 6% and 7% since FY 1991. India has been the fastest-growing G20 economy since FY 2015, with an annual growth rate hovering around 7%. India's economy grew at 7% in FY 2019. The real growth rate declined to 4% in FY 2020 and witnessed a degrowth of 7.3% in FY 2021 due to the outbreak of the COVID-19 pandemic, which led to the imposition of lockdowns towards the last quarter of FY 2020 and a major part of the first quarter of FY 2021 causing a contraction in the economy. The impact of COVID-19 has caused several large economies to shrink. It is being estimated that India's GDP is expected to resume its pre-COVID growth momentum by FY22.

India witnessed a lower-case load in the 3rd quarter along with economic recovery, which continued till the mid of the 4th quarter of FY2021. However, since early March 2021, there has been a continuous rise in the number of COVID -19 cases in India. Daily new cases had risen to more than 0.2 million at the start of April 2021, and it increased to more than 0.3 million towards the end of April 2021. At the start of FY 22, projections of the Indian government, the IMF, and other organizations projected India's GDP to resume its pre-COVID growth momentum in FY22. This was in the backdrop of India witnessing a lower-case load in the 3rd quarter of FY 21 and the economic recovery that ensued during that period and in the following quarter 4. India launched its vaccination drive on 16 January. The vaccination scope was also widened to include all adults from the earlier approach of vaccinating only above the age group of 45 years. With the revised vaccination policy currently underway, India plans to vaccinate its entire population by December 2021.

In May 2021, the Consumer Price Index (CPI) inflation rose to 6.3% and breached RBI's threshold of 4(+/-2)% for the first time in six months, whereas the Wholesale Price Index (WPI) inflation spiked to an 11-year high of 12.9%. CPI inflation declined to 5.6% and WPI came down to 11.2% in July. Current high inflation is largely due to supply-side factors rather than demand-side issues and hence can be expected to be transitory.

After phased unlocking post the second Covid wave, economic activity has gained strength. The Government has also stepped in to provide another dose of stimulus of ₹ 6.3 lakh crore, focused on healthcare, tourism, agriculture, infrastructure, MSMEs and exports. As growth momentum gathers pace, supported by the measures undertaken

by the government, the Indian economy will emerge stronger on a sustainable development path.

(Source: OECD Economic Outlook)

## **Plastics and Polymers**

### **Introduction**

The Indian plastics industry made a promising beginning in 1957 with the production of polystyrene. Thereafter, significant progress has been made, and the industry has grown and diversified rapidly. The industry spans the country and hosts more than 2,000 exporters. It employs about 4 million people and comprises more than 30,000 processing units, 85-90% of which are small and medium-sized enterprises.

- In FY20, plastic and linoleum export from India stood at US\$ 7.55 billion.
- During April 2019 to January 2020, plastic export stood at US\$ 7.045 billion with the highest contribution from plastic raw material at US\$ 2.91 billion, plastic sheets, films, and plates at US\$ 1.22 billion and packaging materials at US\$ 722.47 million.
- India exported plastics worth US\$ 813 million in October 2020, and the export during April 2020 to October 2020 was US\$ 5.58 billion.
- The total plastic and linoleum export during April 2020 to November 2020 was US\$ 4.90 billion and for the month of November 2020, it was US\$ 507.06 million.
- The Indian plastics industry produces and export a wide range of raw materials, plastic-moulded extruded goods, polyester films, moulded/ soft luggage items, writing instruments, plastic woven sacks and bags, polyvinyl chloride (PVC), leather cloth and sheeting, packaging, consumer goods, sanitary fittings, electrical accessories, laboratory/ medical surgical ware, tarpaulins, laminates, fishnets, travel ware, and others.
- The Indian plastics industry offer excellent potential in terms of capacity, infrastructure, and skilled manpower. It is supported by many polymer producers, plastic process machinery and mould manufacturers in the country.
- Among the industry's major strengths is the availability of raw materials in the country. Thus, plastic processors do not have to depend on import. These raw materials, including polypropylene, high-density polyethylene, low-density polyethylene, and PVC, are manufactured domestically.

### **Recent Developments**

The Department of Chemicals and Petrochemicals has approved 10 Plastic Parks in the country, out of which 6 parks have been given final approval in the below states:

- Assam (1 nos.)
- Madhya Pradesh (2 nos.)
- Odisha (1 nos.)
- Tamil Nadu (1 nos.)
- Jharkhand (1 nos.)

The Detailed Project Reports are under evaluation for two Plastic Park in Uttarakhand and Chhattisgarh respectively and proposal for setting up of two new Plastic Parks are under process.

These Plastic Parks will help to achieve environmentally sustainable growth and increase employment.

### **Plastics Export Promotion Council**

The Plastics Export Promotion Council (PLEXCONCIL) is the apex Government body responsible for the promotion of plastic export. PLEXCONCIL members comprise large-/medium-/small-scale manufacturers and exporters. The council supports exporters by participating in international trade fairs, exploring new markets, organising buyer- seller meets both in India and overseas, and engaging in various other promotion and need-based activities.

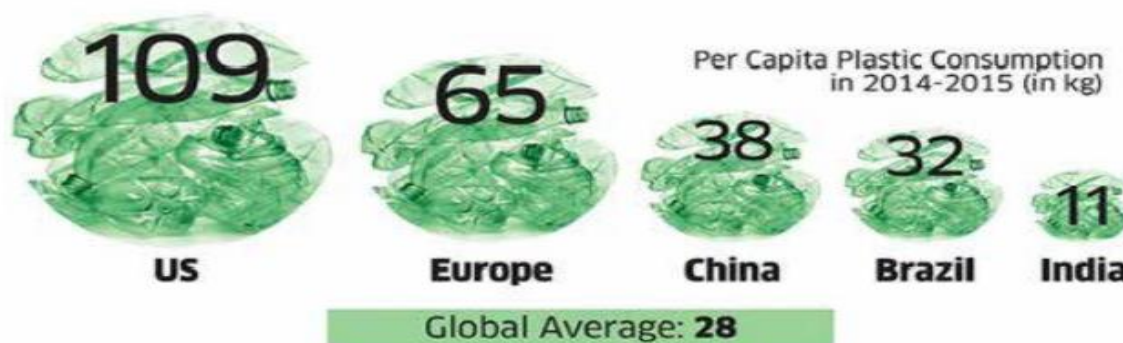
In FY20 (till January 2020), plastic exports stood at US\$ 7.045 billion with the highest contribution from plastic raw materials at US\$ 2.91 billion; plastic sheets, films, and plates at US\$ 1.22 billion; and packaging materials at US\$ 722.47 million.

### Recycling of Plastic

#### Plastic Waste: A Global Concern

Plastic products have become an integral part of our daily life as a result of which the polymer is produced at a massive scale worldwide. On an average, production of plastic globally crosses 150 million tonnes per year. Its broad range of application is in packaging films, wrapping materials, shopping and garbage bags, fluid containers, clothing, toys, household and industrial products, and building materials.

It is estimated that approximately 70% of plastic packaging products are converted into plastic waste in a short span. Approximately 9.4 million TPA plastic waste is generated in the country, which amounts to 26,000 TPD<sup>2</sup>. Of this, about 60% is recycled, most of it by the informal sector. While the recycling rate in India is considerably higher than the global average of 20%, there is still over 9,400 tonnes of plastic waste which is either landfilled or ends up polluting streams or groundwater resources. While some kinds of plastic do not decompose at all, others could take up to 450 years to break down. The figure captures per capita plastic consumption in FY 2014-15.



Plastic waste is India's and the world's most formidable environmental challenge today, and the COVID-19 pandemic has made matters worse: CSE

Centre for Science and Environment's (CSE) new background paper on plastic waste and its management forms the backdrop of discussions at a webinar attended by key bureaucrats and experts:

- 79 per cent of the plastic made in the world enters our land, water and environment as waste; some of it also enters our bodies through the food chain, says the CSE analysis
- India has not yet acted on the Prime Minister's call for 'freedom' from single-use plastics. The government's 2022 deadline for such a ban has now been rescinded
- CSE offers an "actionable" agenda to confront and surmount the challenge – calls for better understanding of the characteristics of the product and the politics of recycling, segregation at source, and a ban on plastics that cannot be recycled, among other things

Consider the available statistics: A global material balance study on plastics points out that **79 per cent** of the total plastics produced in the world enters our environment as waste. Only **9 per cent** of the total plastic waste in the world is recycled. A Central Pollution Control Board (CPCB) report (2018-19) puts the total annual plastic waste generation in India at a humungous **3.3 million metric tonnes per year**. Even this data, frightening as it is, might be an underestimation. While India's plastic waste problem is not as huge as that of the rich world, it is definitely growing. Richer states like Goa and Delhi produce as much as **60 grams and 37 grams per capita per day** respectively – against a national average of **8 grams per capita per day**.

(Source: <https://www.cseindia.org>, Plastic Waste Management Issues, Solutions & Case Studies- March 2019)

In accordance with the Plastic Waste Management Rules, 2018 (PWM Rules, 2018) based on information submitted by 35 State Pollution Control Board or Pollution Control Committee (SPCBs/PCCs), a consolidated annual report for the year 2018-19 has been prepared, including State-wise observations of the current status of implementation of Plastic Waste Management Rules in each State/UT.

### 3.1. Estimated plastic waste generation during the year 2018-19 is 33,60,043

Tons/Annum:

Fig. 1. shows the State and UT-wise plastic waste generation (Tons/Annum) across the country.

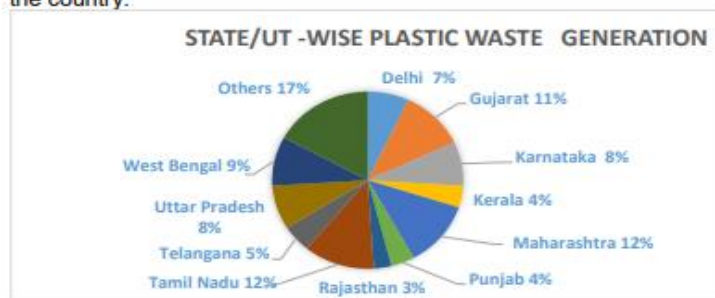


Fig.1: State/UT wise Plastic waste generation

### Recycling

According to the CPCB's 2015 report, recycling of plastics can be done as follows:

- **Primary recycling** (conversion of waste plastics into products having a performance level comparable to that of original products made from virgin plastics)
- **Secondary recycling** (conversion of waste plastics into products having less demanding performance requirements than the original material)
- **Tertiary recycling** (process for producing chemicals/fuels/similar products from waste plastics)
- **Quaternary recycling** (process for recovering energy from waste plastics by incineration)

In most cities where plastic is segregated, it is primarily secondary recycling that is done to the waste it is sorted, cleaned, melted and then made into pellets for further use in products. These products, in most cases, have less demanding performance requirements than the original material.

### **Types of plastic waste and what can be recycled**

Thermoplastic is a generic category and within this, different types of plastic materials are manufactured for different uses. It is important to understand which of the plastic material, used for what, can be recycled. It is also important to understand what does this recycling entail and what is the recycled product used for. Unfortunately, there is little information available on these aspects — most of the recycling happens in the informal and small-scale industrial segment, which works 'invisibly'.

What is generally understood is that polystyrene (PP and PS) and low-density polystyrene (LDPE) are only partially recyclable; most of the times, they are not recycled due to their economic unviability. The 2015 CPCB study had noted that 94 per cent of the total plastic waste was thermoplastics, which — it said — would be recyclable; only 6 per cent was thermoset plastic which could not be recycled. However, what is not clear is if this study, which was based on the waste characteristics derived from landfill sites, can be the best way to establish the recyclability of plastic waste in the country.

### Categories of plastic and their recycling potential

Name of plastic	Code	Recyclable or not	Few applications	Type of recycling
Polyethylene Terephthalate (PET)	1	YES	Water bottles, soft drink bottles, food jars, films, sheets, furniture, carpets, paneling	Converted back to polymer and used for making apparel
High-density Polyethylene (HDPE)	2	YES	Milk pouches, bottles, carry bags, recycling bins, base cups	Converted to pellets and used to produce new HDPE
Polyvinyl Chloride (PVC)	3	YES	Pipes, hoses, sheets, wire cable insulations, multilayer tubes, window profile, fencing, lawn chairs	Pyrolysis, hydrolysis and heating are used to convert PVC waste into calcium chloride, hydrocarbon products and heavy metals. These are used to produce new PVC or as feed for other manufacturing processes or as fuel for energy recovery
Low-density Polyethylene (LDPE)	4	YES	Plastic bags, various containers, dispensing bottles, wash bottles	Converted to pellets and used to produce new LDPE
Polypropylene (PP)	5	YES	Disposable cups, bottle caps, straws, auto parts, industrial fibres	Converted to pellets and used to produce new PP
Polystyrene (PS)	6	NO	Disposable cups, glasses, plates, spoons, trays, CD covers, cassette boxes, foams	Not recyclable
Others (O)	7	NO	Thermoset plastics, multilayer and laminates, nylon SMC, FRP, CD, melamine plates, helmets, shoe soles	Not recyclable — however, multilayer packaging could be crushed and turned into sheets and boards for roofing, using adhesives

### The details of State-wise utilization of plastic waste is given below:

- Eight (8) States/UTs namely; Arunachal Pradesh, Bihar, Daman Diu & Dadra Nagar Haveli, Jammu & Kashmir, Kerala, Maharashtra, Manipur & Sikkim have not submitted the details in this matter.
- 14 States/UTs namely: Andhra Pradesh, Assam, Chhattisgarh, Goa, Gujarat, Himachal Pradesh, Jharkhand, Karnataka, Madhya Pradesh, Odisha, Puducherry, Tamil Nadu, Telangana & Uttar Pradesh are sending plastic waste to cement plants for co-processing.
- 15 States/UTs namely: Andaman & Nicobar Islands, Andhra Pradesh, Assam, Haryana, Himachal Pradesh, Jharkhand, Madhya Pradesh, Meghalaya, Mizoram, Nagaland, Puducherry, Tamil Nadu, Telangana, Uttar Pradesh & West Bengal are using plastic waste for polymer bitumen road construction.
- 16 States/UTs namely: Andaman & Nicobar Islands, Andhra Pradesh, Chhattisgarh, Goa, Jharkhand, Karnataka, Lakshadweep, Madhya Pradesh, Nagaland, Punjab, Tamil Nadu, Telangana, Uttarakhand and Uttar Pradesh are recycling the plastic waste.
- 2 States/UTs namely: Himachal Pradesh & Delhi are sending the plastic waste to Waste to Energy plants.
- Uttar Pradesh is utilizing the plastic waste in waste to oil plant. Further, Chandigarh, Goa and Madhya Pradesh are using the plastic waste as RDF.

### No. of registered Manufacturing/Recycling Units:

As per the provision '13(1)' of PWM Rules, 2018, all the plastic manufacturing/recycling units shall be registered with the concerned SPCBs/PCCs. There are 4773 (4294 –Plastic Mfg., 7-Compostable Mfg., 287-MLP Mfg. & 185- Recycling) Registered units in 30 States/UTs and there are no plastic manufacturing units in Andaman and Nicobar Islands, Arunachal Pradesh, Bihar, Lakshadweep & Sikkim.

### No. of unregistered plastic manufacturing/recycling units:

There are 1080 unregistered plastic manufacturing/recycling units running in 12 States/UTs, namely; Assam, Bihar, Jammu & Kashmir, Karnataka, Madhya Pradesh, Maharashtra, Puducherry, Punjab, Tamil Nadu & Uttar Pradesh. Further, Chhattisgarh, Daman Diu and Dadra Nagar Haveli, Delhi PCC, Himachal Pradesh, Uttarakhand & West Bengal have not provided the details in this matter.

(Source: Central Pollution Control Board, Annual Report (2018-19) on Implementation of Plastic Waste Management Rules, 2016, Report on Managing Plastic Waste in India Challenges and Agenda, 2020)

### Fast moving consumer goods ("FMCG")

FMCG is the fourth largest sector in the Indian economy. There are three main segments in the sector food and beverages, which accounts for 19% of the sector; healthcare, which accounts for 31% of the share; and household and personal care, which accounts for the remaining 50% share.

According to Nielsen, the Indian FMCG industry grew 9.4% in the January-March quarter of 2021, supported by consumption-led growth and value expansion from higher product prices, particularly for staples. The rural market registered an increase of 14.6% in the same quarter and metro markets recorded positive growth after two quarters. E-commerce is likely to contribute 5% or US\$ 4 billion to FMCG sales by 2022.

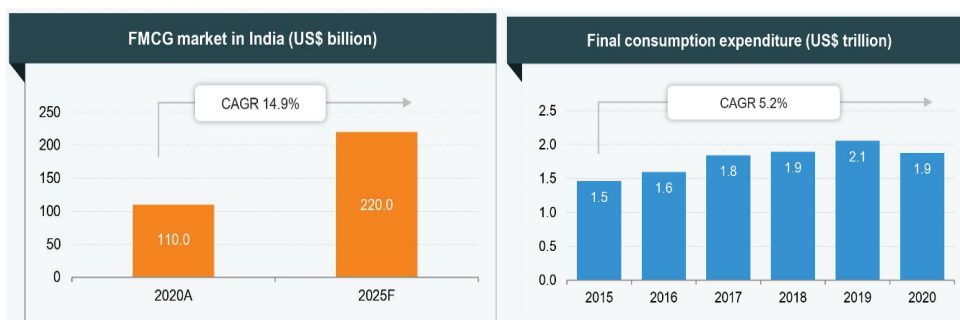
The rural FMCG market is expected to expand to US\$ 220 billion by 2025. The Indian processed food market is projected to expand to US\$ 470 billion by 2025, up from US\$ 263 billion in 2019-20.

Indian online grocery market is estimated to exceed sales of about ₹ 22,500 crore (US\$ 3.19 billion) in 2020, a significant jump of 76% over the previous year. The gross merchandise value (GMV) of the online grocery segment in India is expected to increase 18 times over the next five years to reach US\$ 37 billion by FY25. As of February 2021, out of 39 Mega Food Park projects, 22 are operational, 15 are under implementation and 2 are in-principle approval. Many FMCG brands partner with e-commerce platforms to deliver products at the doorstep of consumers during the COVID-19 pandemic.

FMCG companies are looking to invest in energy efficient plants to benefit the society and lower cost in the long term. The sector witnessed healthy FDI of US\$ 18.19 billion from April 2000 to March 2021.

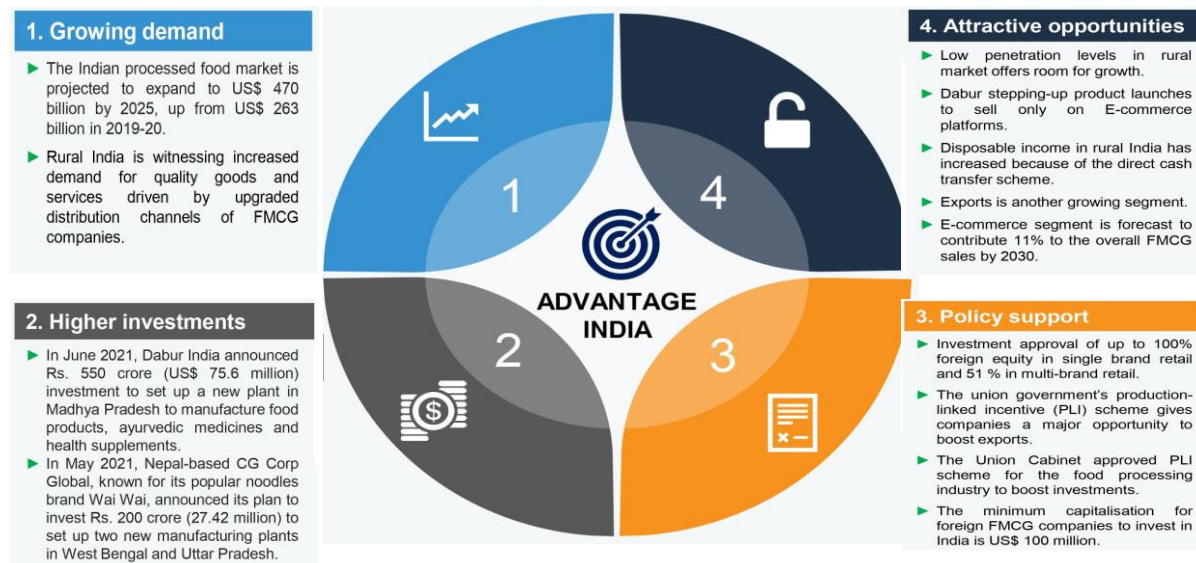
Growing awareness, easier access, and changing lifestyle are the key growth drivers for the consumer market. The focus on agriculture, MSMEs, education, healthcare, infrastructure and tax rebate under Union Budget 2019-20 was expected to directly impact the FMCG sector. Initiatives undertaken to increase the disposable income in the hands of common man, especially from rural areas, will be beneficial for the sector.

Favourable demographics and rise in income level will boost the FMCG market. By 2025, India is likely to be the fifth-largest FMCG market. FMCG market in India is expected to increase at a CAGR of 14.9% to reach us\$ 220 billion by 2025, from us\$ 110 billion in 2020. The urban segment contributes to about 55% of the revenue share, while the rural segment accounts for 45%. Rise in rural consumption will drive the FMCG market. Final consumption expenditure increase data CAGR of 5.2% during 2015-20. According to fitch solutions, real household spending is projected to increase 9.1% YoY in 2021, after contracting >9.3% in 2020 due to economic impact of the pandemic.





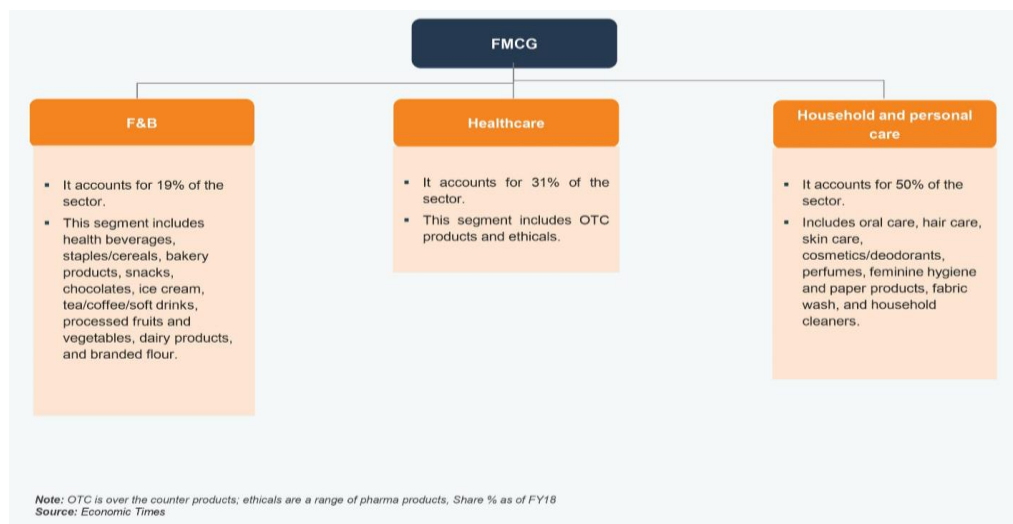
## Advantages to India



(Source: IBEF)

FMCG market reached US\$ 110 billion in 2020. FMCG sales at India's organised retail stores rose 22 % y-o-y in 2018. The market is expected reach US\$ 220 billion by 2025. The online FMCG market is forecast to reach US\$ 45 billion by the end of 2020. Growing awareness, easier access and changing lifestyles have been the key growth drivers for the sector. The number of internet users in India is likely to reach 1 billion by 2025. Real household spending is projected to increase 9.1% YoY in 2021.

## Three main segments of FMCG



## Strong growth in Indian FMCG sector

- The FMCG sector's revenue reached US\$110 billion in 2020.
- The FMCG sector grew 9.4% in the January-March quarter of 2021 due to increasing prices of products, especially staples. It grew by 7.3% in the previous quarter (October-December 2020).
- FMCG sector will gain support for growth from Inland Waterways Authority of India (IWAI) multi-modal transportation project of freight village at Varanasi, which will bring together retailers, warehouse operators and logistics service providers, and investment worth ₹1.7billion (US\$25.35million).

(Source: India Brand Equity Foundation)

### **Urban market accounts for major chunk of revenues**

- Accounting for a revenue share of around 55%, urban segment is the largest contributor to the overall revenue generated by the FMCG sector in India.
- Rural segment is growing at a rapid pace and accounted for a revenue share of 45% in the overall revenues recorded by FMCG sector in India. FMCG products account for 50% of total rural spending.
- In the last few years, the FMCG market has grown at a faster pace in rural India compared to urban India.
- Demand for quality goods and services is on an upward trajectory in rural areas on the back of improved distribution channel of manufacturing and FMCG companies.
- According to Nielsen, the rural market registered an increase of 14.6% in the same quarter and metro-markets recorded positive growth after two quarters.

### **Increasing online users boost online FMCG sales**

- India's increasing internet penetration and rising digital maturity along with developing infrastructure has helped boost online transactions.
- The online FMCG market is estimated to reach US\$ 45 billion in 2020 from US\$ 20 billion in 2017, backed by growth in online users from 90 million in 2017 to 200 million in 2020E.
- Around 72% Indian consumers are most likely to shop online locally for premium products.
- The Indian online grocery market is estimated to exceed sales of about ₹ 22,500 Crore (US\$ 3.19 billion) in 2020, a significant jump of 76% over the previous year.
- Many FMCG brands partner with e-commerce platforms to deliver products at the doorstep of consumers during the COVID-19 pandemic.
- As of June 2021, e-commerce share has already touched 7-8% for some of the largest FMCG companies in the country, according to Accenture India.
- The gross merchandise value (GMV) of the online grocery segment in India is expected to increase 18 times over the next five years to reach US\$ 37 billion by FY25.

### **Policy and regulatory framework**

- On November 11, 2020, Union Cabinet approved the production-linked incentive (PLI) scheme in 10 key sectors (including electronics and white goods) to boost India's manufacturing capabilities, exports and promote the 'Atmanirbhar Bharat' initiative.
- Developments in the packaged food sector will contribute to increased prices for farmer and reduce the high levels of waste. In order to provide support through the PLI scheme, unique product lines, with high-growth potential and capabilities to generate medium to large-scale jobs, have been established.
- Industrial license is not required for almost all food and agro-processing industries, barring certain items such as beer, potable alcohol and wines, cane sugar and hydrogenated animal fats and oils as well as items reserved for exclusive manufacture in the small-scale sector.
- The Government approved 51% FDI in multi-brand retail in 2006, which will boost the nascent organised retail market in the country.
- It also allowed 100% FDI in the cash and carry segment and in single-brand retail.

(Source: IBEF)

## **Cashew Industry**

### **Introduction**

Cashew (*Anacardium occidentale L.*), a tree native of Eastern Brazil, was introduced in India by the Portuguese nearly five centuries ago. In India, cashew was first introduced in Goa, from where it spread to other parts of the country. Initially, it found use in soil binding to check erosion. Commercial cultivation began in the early 1960s and, over the years, cashew became a crop with high economic value and attained the status of an export-oriented commodity, earning considerable foreign exchange for the country.

### **Key Markets and Export Destinations**

- Export earnings from cashew nut in FY20 stood at US\$ 566.76 million.
- The total cashew export was US\$ 566.82 million between April 2019 and March 2020.
- The total cashew export from April 2020 to March 2021 was US\$ 420.17 million and for the month of



- March 2021, it was US\$ 40.44 million.
- In April 2021, export of cashew stood at US\$ 49.71 million.
- India exports cashew kernels to over 60 countries. Its major markets are the US, the Netherlands, Japan, Spain, France, Germany, the UK as well as the Middle East countries such as UAE and Saudi Arabia.

### Cashew Export Promotion Council of India

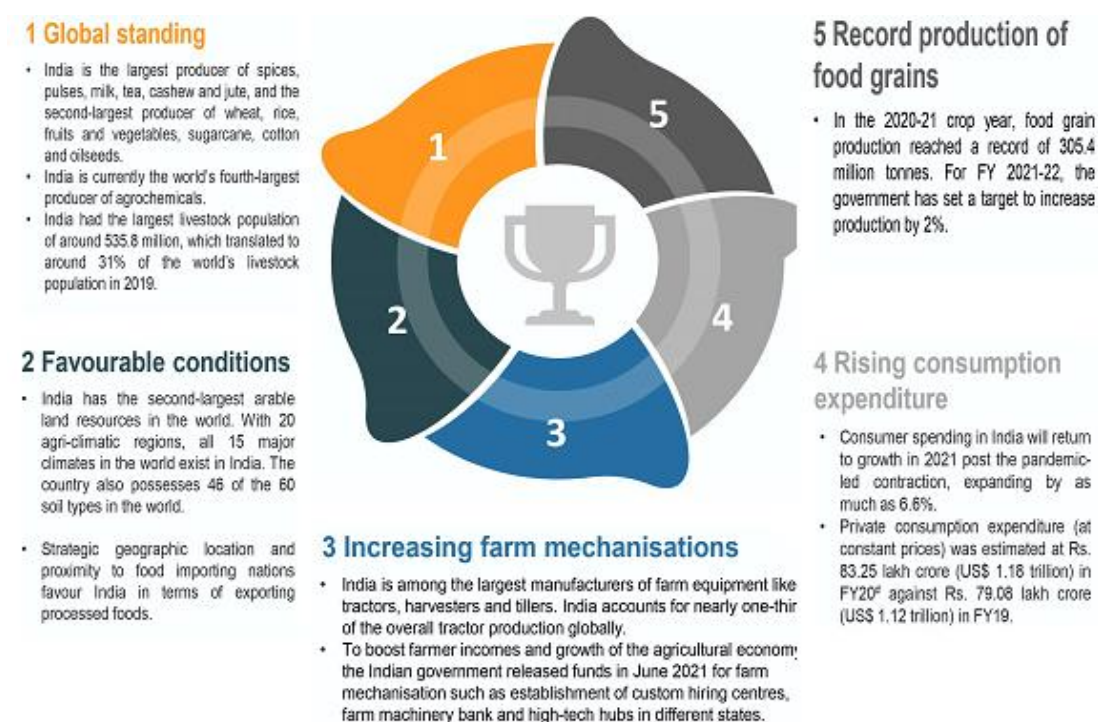
The Cashew Export Promotion Council of India (CEPCI) works to promote the export of cashew kernels and CNSL. The council serves as an intermediary between importers of cashew kernels and exporters who are members of the council. It also deals with disputes on export/import arising due to quality standards and breach of contractual obligations, among others. It undertakes numerous activities, such as organising global buyer seller meets as well as studies on nutritional aspects of cashew and providing support to processors and cashew exporters in India for improving infrastructure.

(Source: IBEF, Press Information Bureau, Directorate General of Commercial Intelligence and Statistics)

### Agriculture and Allied Industries

In India, agriculture is the primary source of livelihood for 54.6% of the population. The agriculture, forestry and fishing gross value added (GVA) growth is likely to be 3% in the second quarter of FY21. Agriculture and allied activities recorded a growth rate of 3.4% at constant prices in FY21. Share of agriculture and allied sectors in gross value added (GVA) of India at current prices stood at 17.8% in FY20.

Gross Value Added by agriculture, forestry and fishing was estimated at ₹19.48 trillion (US\$ 276.37 billion) in FY20. As per the Union Budget 2021-22, ₹1.33 lakh crore (US\$ 18.41 billion) was allocated to the Ministry of Agriculture. Between April 2020 and January 2021, principal agricultural commodities export stood at US\$ 32.12 billion.



### Advantages to India

- Large population and rising urban and rural income have added to growth in demand for agriculture products.
- Demand for processed food is rising with increase in disposable income, urbanisation, young population

- and nuclear families.
- Changing lifestyle and increasing expenditure on health and nutritional foods have also added to growth.
- India benefits from a large agriculture sector, abundant livestock and cost competitiveness.
- Lured by the size and returns of the Indian market, foreign firms have strengthened their presence in India.
- High proportion of agricultural land (157 million hectares) and diverse agro-climatic conditions encourage cultivation of different crops.
- Increase in demand for agricultural inputs such as hybrid seeds and fertilizers.
- India can be among the top five exporters of agro-commodities by shifting its focus on cultivation and effectively handholding farmers: World Trade Centre
- Investment opportunities to arise in agriculture, food infrastructure and contract farming.

### Policy Support

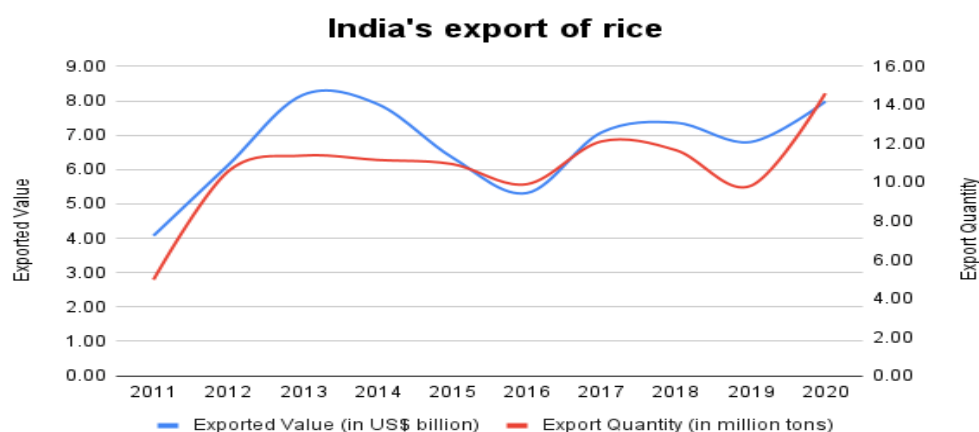
- The Indian Government announced a PLI scheme for the food processing sector with an incentive outlay of ₹ 10,900 Crore (US\$ 1,484 million) over a period of six years from FY22.
- Government of India is also aiming to double farmers' income by 2022.
- Pradhan Mantri Fasal Bima Yojana aims to support sustainable production in agriculture by providing financial support to farmers who have incurred crop losses/ damages.

(Source: Ministry of Agriculture, Print Release, RBI, MOSPI, Central Statistics Office (CSO), Union Budget 2021-22, IBEF)

### Trading in Rice

India, one of the largest rice producers, has experienced an exponential surge in the exports of its non-Basmati rice to newer regions like Southeast Asia, despite the challenges posed by the pandemic. Retaining its hold over these new markets is dependent on prices in competitor markets and how well India manages the second wave. Rice is among the agricultural products in which India is the top exporter in the world, with Thailand securing the second rank. It is interesting to note that the year of pandemic, 2020, has brought new highs for rice exports from India. The value of rice exports for India increased by 17.34% during 2020, in comparison to 2019. In terms of quantity, the exports of rice reached their highest level in the past ten years.

During the period January-March 2021, the total exports of rice amounted to US\$ 2.78 billion, growing by 41.52% yoy. However, it needs to be noticed that exports of non-basmati rice expanded in 2020 reaching US\$ 3.64 billion, growing by 64% in comparison to 2019. Exports of Basmati rice, on the other hand, declined to US\$ 4.34 billion in 2020, contracting by 6.2%. Similarly, during Jan-Mar 2021, exports of non-basmati experienced an increase by 199.4% year-over-year (YoY) while basmati rice witnessed decline of 23.21% yoy.



### Outlook

- The value of rice exports for India increased by 17.34% during 2020 in comparison to 2019. In terms of quantity, the exports of rice reached their highest level in the past ten years.
- One such market is the South East Asian region, where India exported US\$ 299.45 billion worth of rice in 2020, increasing by 121% over 2019.

- Competitive prices of India contributed to the surge in exports, which were complemented by depreciation of rupee and surplus in production.
- Demand in the future depends on the trend in prices, supply from the competitors and how India manages its pandemic situation going forward.

### Rice Exports

There are certain markets in which India's rice exports rose exponentially last year. One such market is the Southeast Asian region, where India exported US\$ 299.45 billion worth of rice in 2020, increasing by 121% over 2019. In terms of quantity, the export of rice increased by 216%, reaching 631 thousand tons in 2020. The table below shows some of the countries in the region where exports increased in 2020 in comparison to average exports to these countries during 2015-19.

Country	2015-19	2020	Growth (%)
Malaysia	52492.25	389,012	641.08
Myanmar	31	321	935.48
Singapore	88200.25	119,333	35.30
Thailand	1259.5	7,101	463.80
Timor-Leste	0	27,781	–
Viet Nam	958.75	46,700	4770.93

(Source: IBEF, TPCI)

### Infrastructure Products

#### Introduction

Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. Infrastructure sector includes power, bridges, dams, roads, and urban infrastructure development.

#### Market Size

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

#### Government Initiative and investment

In Union Budget 2021, the government has given a massive push to the infrastructure sector by allocating ₹ 233,083 Crore (US\$ 32.02 billion) to enhance the transport infrastructure. The government expanded the 'National Infrastructure Pipeline (NIP)' to 7,400 projects. 217 projects worth ₹ 1.10 lakh crore (US\$ 15.09 billion) were completed as of 2020. Through the NIP, the government invested US\$ 1.4 trillion in infrastructure development as of July 2021. The key highlights of the Budget 2021 are as follows:

- The Ministry of Commerce's Logistics Division presented its plans for 'Freight Smart Cities' in July 2021, with goal of improving the efficiency of urban freight and lowering logistics expenses. Over the next 10 years, demand for urban freight is predicted to increase by 140%. Final-mile freight transit in Indian cities accounts for 50% of the total logistics expenditures in the country's increasing e-commerce supply chains. According to ICRA ratings, the domestic road logistics sector is predicted to grow by 6-9% in FY22.
- The XV Finance Commission recommended ₹ 8,000 crore (US\$ 1,077 million) performance-based challenge money to states for new city incubation in July 2021. Each proposed new city has a budget of ₹ 1,000 crore (US\$ 134 million) and each state can only have one new city under the proposed concept.
- In July 2021, NTPC announced to invest ₹ 2-2.5 crore (US\$ 0.27-0.34 million) over the next 10 years to

- expand renewable capacity and invited bids for an engineering, procurement, and construction (EPC) package, with land development for 500 MW of grid-connected solar projects anywhere in India.
- In July 2021, the Ministry of Petroleum and Natural Gas, the government-owned GAIL lined up ₹ 5,000 Crore (US\$ 671.14 million) for setting up two plants each for producing ethanol and compressed biogas (CBG) from municipal waste.
- In June 2021, Mr. Rajnath Singh, the Minister of Defence e-inaugurated 20 kms long double lane Kimin-Potin road, together with nine other roads in Arunachal Pradesh and one each in the Union Territories of Ladakh and Jammu & Kashmir, built by Border Roads Organisation (BRO).
- In June 2021, Mr. Prakash Javadekar, the ex-Minister of Heavy Industries and Public Enterprises, inaugurated NATRAX, the 1000-acre high-speed track (HST) in Indore. This is Asia's longest track and can be used for a variety of high-speed performance testing on a wide range of vehicles.
- In June 2021, the NTPC floated a global Expression of Interest (EOI) to set up two pilot projects for standalone fuel cell-based backup power system and a standalone fuel cell-based microgrid system with hydrogen production using electrolyser at NTPC premises. Through the projects, NTPC is looking to further strengthen its footprint in green and clean fuel. The NTPC will collaborate for implementation and further commercialisation of the projects.
- In May 2021, Minister for Road Transport & Highways and Micro, Small and Medium Enterprises, Mr. Nitin Gadkari stated that the government is giving utmost priority to infrastructure development and has set a target of road construction of worth ₹15 lakh crore (US\$ 206 billion) in the next two years.
- The Ministry of Railways plans to monetise assets including Eastern and Western Dedicated Freight Corridors after commissioning, induction of 150 modern rakes through PPP, station redevelopment through PPP, railway land parcels, multifunctional complexes (MFC), railway colonies, hill railways and stadiums.
- In March 2021, the government announced a long-term US\$ 82 billion plan to invest in the country's seaports. ~574 projects have been identified, under the Sagarmala project, for implementation through 2035.
- In April 2021, the Ministry of Power (MoP) released the draft National Electricity Policy (NEP) 2021. The MoP created an expert committee including members from state governments, the Ministry of New and Renewable Energy (MNRE), NITI Aayog and the Central Electricity Authority (CEA).
- In March 2021, the Parliament passed a bill to set up the National Bank for Financing Infrastructure and Development (NaBFID) to fund infrastructure projects in India.
- Indian railways received ₹ 1,10,055 crore (US\$ 15.09 billion), of which ₹ 1,07,100 crore (US\$ 14.69 billion) is for capital expenditure.
- ₹ 1,18,101 crore (US\$ 16.20 billion) has been allocated towards road transport and highway sector.
- The government announced ₹ 18,998 crore (US\$ 2.61 billion) for metro projects.
- Mega Investment Textiles Parks (MITRA) scheme was launched to establish world-class infrastructure in the textile sector and establish seven textile parks over three years.
- The government announced ₹ 305,984 crore (US\$ 42 billion) over the next five years for a revamped, reforms-based and result-linked new power distribution sector scheme.

## **Jal Shakti**

The Ministry of Jal Shakti is responsible for the development, maintenance, and efficient use of water resources in the country and coordination of drinking water and sanitation programs in rural areas. The Ministry was created in 2019 by integrating the Ministries of: (i) Water Resources, River Development, and Ganga Rejuvenation, and (ii) Drinking Water and Sanitation.

### **Allocations in Union Budget 2021-22**

In 2021-22, the Ministry of Jal Shakti received an allocation of ₹ 69,053 crore which is a 64% annual increase over the actual expenditure in 2019-20. The focus of the increased expenditure is on drinking water, which is line with the government's agenda to provide functional tap water connections to all households by 2024. Further, the Economic Survey (2020-21) noted that a strong emphasis on sanitation and drinking water is required to prevent communicable diseases.

**Budgetary allocation to the Ministry of Jal Shakti****(in Rs crore)**

<b>Department</b>	<b>Actuals (19-20)</b>	<b>Revised (20-21)</b>	<b>Budgeted (21-22)</b>	<b>Annualised Change (Actuals 19-20 to BE 21-22)</b>
Drinking Water and Sanitation	18,264	17,024	60,030	81%
Water Resources	7,419	7,262	9,023	10%
<b>Total</b>	<b>25,683</b>	<b>24,286</b>	<b>69,053</b>	<b>64%</b>

**Policy proposals in Union Budget 2021-22**

- The Jal Jeevan Mission (Urban) will be launched to enable universal water supply and liquid waste management in urban areas.
- The Urban Swachh Bharat Mission 2.0 will be implemented. It will focus on sludge and waste water management.

(Source: IBEF, PRS India)

## OUR BUSINESS

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Preliminary Placement Document. 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 39 of this Preliminary Placement Document, 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 or results of operations, you should read "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 159 and 65 of this Preliminary Placement Document, respectively. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.*

Our Company was incorporated on November 9, 1995 with the name of "Akshatha Management Consultants Private Limited" in accordance with the provision of Companies Act, 1956. Subsequently the name of our Company was changed to "Akshatha Service Private Limited", pursuant to which the Registrar of Companies National Capital Territory of Delhi and Haryana issued a fresh certificate of incorporation on May 29, 2001. Thereafter, the name of our Company was further changed to "Moonlite Technochem Private Limited", and accordingly, the Registrar of Companies National Capital Territory of Delhi and Haryana issued a fresh certificate of incorporation on December 29, 2008. Our Company was subsequently converted from private limited company into public limited company and upon such conversion, the name of our Company was changed to "Moonlite Technochem Limited" and accordingly, on November 1, 2016, a fresh certificate of incorporation was issued by Registrar of Companies, Delhi. The name of our Company was changed again to "Vikas Multicorp Limited" and a fresh certificate of incorporation dated January 24, 2017 was issued under the seal of Registrar of Companies, Delhi. Thereafter, the name of our Company was once again changed to "Vikas Lifecare Limited", and a fresh certificate of incorporation dated April 9, 2021 was issued under the seal of Registrar of Companies, Delhi.

Pursuant to the order of the National Company Law Tribunal, Principal Bench, New Delhi dated October 31, 2018 approving the Scheme of Arrangement, the 'Recycled and Trading Compounds Division' of group concern 'Vikas Ecotech Limited' was demerged from Vikas Ecotech Limited and acquired by our Company. Upon the completion of said demerger, the equity shares of our Company were listed on the NSE and the BSE on May 8, 2019.

Our Company is principally engaged in the business of Recycling Plastic Waste (**Recycling Materials**) and trading of Polymer Compounds. Until 2019, our Company was engaged in trading of various polymer compounds such as Ethylene-Vinyl Acetate (**EVA Compounds**), Polyvinyl Chloride Resins (**PVC resins**), Chlorinated Paraffin, Polyethylene Compound (**PE Compounds**) and Thermoplastic Rubber Compounds (**TPR Compounds**). However, subsequent to the acquisition of 'Recycled and Trading Compounds Division' of group concern 'Vikas Ecotech Limited' under the scheme of arrangement approved by National Company Law Tribunal, Principal Bench, New Delhi, our Company also started manufacturing Polymer Compounds such as PE Compound, Polyvinyl Chloride Compound (**PVC Compounds**), V-Blend SOE Compound, Polypropylene Compounds (**PP granules**), TPR Compounds.

Our Company is ISO 9001:2015 certified, for trading and manufacturing of PVC Compounds, EVA, PP, PE, BASE Polymers, additives and chemicals (meant for plastic processing) by Dynamic Growth Agency.

Our manufacturing facility is located at G-83, Vigyan Nagar, RIICO Industrial Area, Shahjahanpur, Alwar, Rajasthan.

Our products cater various industries such as agriculture and infrastructure, packaging, organic and inorganic chemicals, electrical, FMCG, footwear, pharmaceuticals, automotive, and other consumer goods.

### Impact of COVID-19

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, including India have taken preventive or protective actions, such as imposing country-wide

lockdowns, as well as restrictions on travel and business operations.

Our manufacturing facility was temporarily shut during the pandemic from March 22, 2020 till May 21, 2020 and thus our production, revenue and profitability were impacted. We have implemented greater safety procedures and requirements at our manufacturing facility. Due to limited availability of labour, logistics and supply chain constraints, our manufacturing facility was initially operating at sub-optimal capacity utilization in the current Fiscal.

We resumed operations in a phased manner as per the directive issued by the Government of India and the State Government from time to time. Our plant utilization was improved, raw material suppliers resumed their operations and supply and logistics were becoming more regular. However due to the ongoing consequential wave of COVID-19 in the Country and temporary lockdowns imposed in various places, we are facing difficulty in resuming our operations in regular manner.

The ongoing and the future impact of COVID-19 or any other severe communicable disease on our business and business operations may depend on several factors including those discussed in section titled "**Risk Factors**" on page 39 of this Preliminary Placement Document. We are continuously monitoring the economic conditions and have outlined certain measures to combat the pandemic situation and to minimize the impact on our business. For more details, see section titled "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on page 65 of this Preliminary Placement Document.

### **New Ventures**

As a long term business strategy, our Company has recently diversified its business interest beyond B2B business and forayed into the B2C Segment with a host of consumer products including FMCG & Agro and infrastructure Products

**FMCG & Agro Products** - During 2020-2021, our Company initiated trading in raw and finished cashew nuts and trading of rice to pursue one of its business strategy to venture and expand into FMCG industry. Our Company has also entered into a MOU with National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED) for export of agricultural products or commodities and articles to various countries across the world. As on date, our Company has received purchase order for rice and cashew nuts amounting ₹100 million and ₹490 million respectively.

**Infrastructure Products** - In the year 2021, our Company has ventured in other infrastructure products business and has started trading of food grade piping systems for drinking water for drinking water under the Jal Jeevan Mission initiated by Department of Drinking Water & Sanitation, Ministry of Jal Shakti, Government of India and also initiated trading of steel pipes, steel pipes fittings and bars.

In year 2022, our Company acquired 75% stake in Genesis Gas Solutions Private Limited, a private company engaged in manufacturing and developing Smart Gas Meters and Power Distribution solutions. As on date, our Company has bagged orders for Gas meters amounting to ₹390 million.

### **Financial Performance**

During nine month ending December 31, 2021, Fiscals 2021 and 2020, our revenue from operations was ₹1,983.34 million, ₹749.95 million and ₹1,561.30 million respectively. Our EBITDA during nine month ending December 31, 2021, Fiscals 2021 and 2020 was ₹97.34 million, ₹45.44 million and ₹82.59 million respectively while our Profit after tax (PAT) during nine month ending December 31, 2021, Fiscals 2021 and 2020, was ₹57.78 million, ₹(35.02) million and ₹13.98 million respectively.

### **Our Area of Operation**

#### **Trading of polymer compounds**

Our Company is engaged in the trading of various polymer compounds such as EVA Compound), PVC resins, Chlorinated Paraffin Compounds, TPR compounds and PE compounds like Linear low-density polyethylene compounds and High-density polyethylene compounds.

The above polymer compounds are widely used in various industries such as agriculture and infrastructure, packaging, organic and inorganic chemicals, electrical, FMCG, footwear, pharmaceuticals, automotive, and other consumer goods.

EVA compound are soft, flexible plastic with low-temperature toughness and are used in making hot glue sticks.

PVC compound are commonly used for thermoplastic material, which is used in a variety of applications including health care, electronics and others, and also in products ranging from piping and siding, blood bags and tubing, to wire and cable insulation, windshield system components and many more.

Chlorinated Paraffin Compound are used as additives to paints, coatings and sealants to improve their resistance to chemicals and to water, and also as flame retardants for plastics, fabrics, paints and coatings.

TPR Compounds are used as in niche applications like orthopedic soles; ultra-fine cleaning bristles for micro-sized dusting brushes, sports goods etc. along with the conventional applications like footwear and other consumer goods.

PE compound such as LLDPE compound (Linear low-density polyethylene) is used for preparing a variety of film application such as general-purpose film, stretch film, garment packaging, agricultural film, ice bags, bags for supplemental packaging and garbage bags. Similarly, HDPE compound (High-density polyethylene) being a cost-effective thermoplastic is used in several packaging applications including crates, trays, bottles for milk and fruit juices, garbage containers, housewares, pipes and fitting, pipes for gas, water, sewage, drainage, sea outfalls, industrial application, large inspection chambers and manholes for pipe sewage etc.

Our Company is a del credere agent of ONGC Petro Additions Limited and OPaL for supply of PE Compounds

### **Manufacturing of Polymer Compounds**

From year 2019 onwards, our Company started manufacturing of Polymer Compounds such as PE Compound, PVC Compounds, V blend SOE Compound, PP granules, TPR Compounds.

Our manufacturing facility is located at G-83, Vigyan Nagar, RIICO Industrial Area, Shahjahanpur, Alwar, Rajasthan.

### **Capacity Utilisation**

The details of installed capacities for manufacturing of the Polymer Compounds granted to us and the capacity utilised by us are detailed through the table given below;

<b>Polymer Compound</b>	<b>Installed Capacity</b>	<b>Capacity Utilised*</b>
EVA Compound	1,000 MT/Annum	214.1 MT/Annum
V-blend SOE Compound	1,000 MT/Annum	6.00 MT/Annum
TPE Compound	1,000 MT/Annum	3.00 MT/Annum
TPR Compound	2,000 MT/Annum	87.45 MT/Annum
PVC Compound	2,500 MT/Annum	314.00 MT/Annum
PP Compound	2,500 MT/Annum	206.00 MT/Annum

\*for nine months ending December 31, 2021

### **Raw materials**

We purchase our raw materials from multiple suppliers on a purchase order basis. We do not have long term contracts for the supply of our raw materials and procure the same through purchase orders. We have long-established relationships with a number of such suppliers, and such long-established relationship with multiple suppliers ensure stable supply without dependency on a single source.

On receipt of the raw materials from the suppliers, our quality control team tests the materials and only after such testing of the materials, the quality control department confirms whether the material is to be approved or

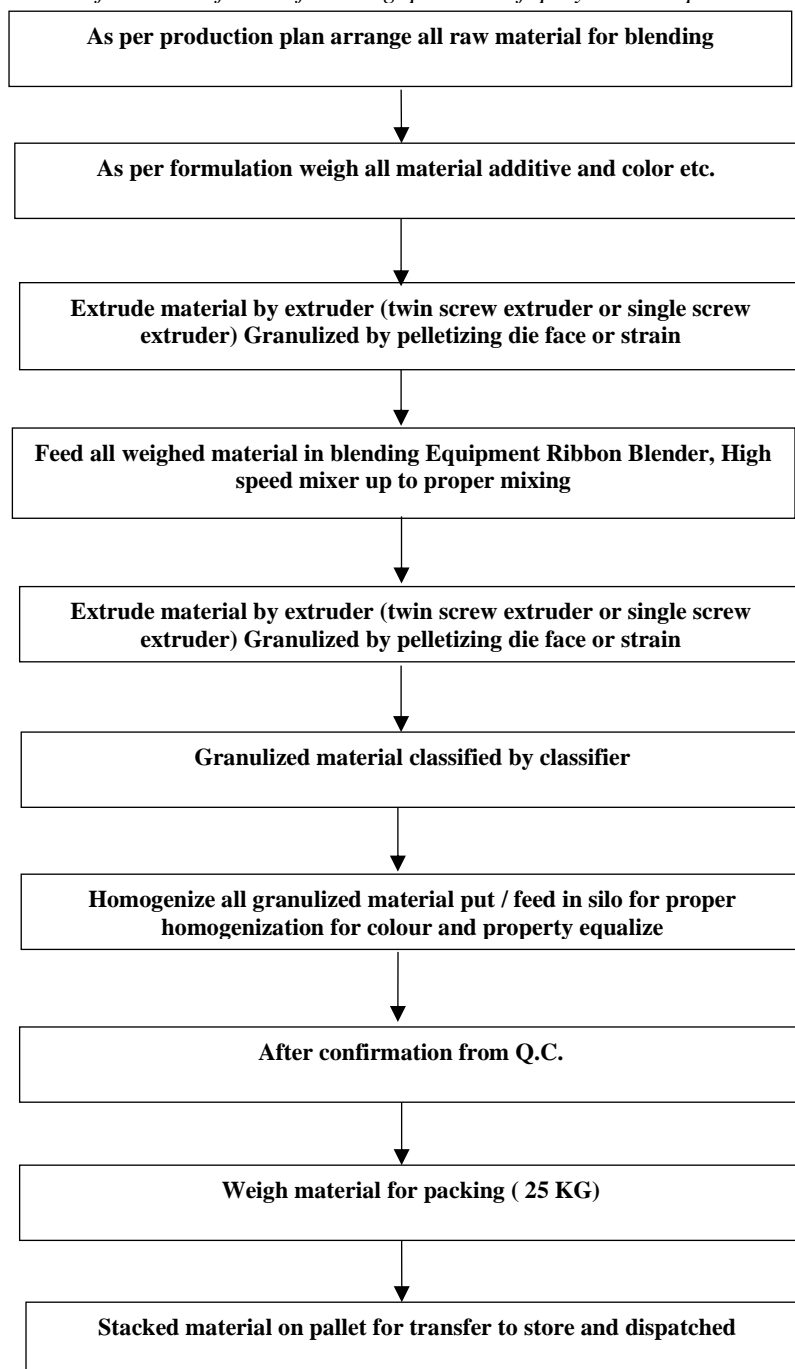


rejected.

The primary raw materials essential to manufacture Polymer Compound depends upon the nature of the Polymer Compounds. For instance, in order to manufacture PE Compounds, the raw material required are IM-3, IM-4, LLDPE, power oil, *whereas* Di Octyl Phthalate, polypropylene along with IM-2, IM-3 and IM-4 is required for manufacturing of PP Granules.

### **Manufacturing process of Polymer compound**

*The brief details of manufacturing process of polymer compound are depicted through below flowchart*



## Manufacturing of Recycled Material

In Fiscal 2019-20, our Company acquired 'Recycled and Trading Compounds Division' of group concern 'Vikas Ecotech Limited' under a scheme of arrangement approved by National Company Law Tribunal, Principal Bench, New Delhi.

Our Company aimed to initiate manufacturing of Recycled Materials after acquisition of 'Recycled and Trading Compounds Division' under scheme of arrangement approved by National Company Law Tribunal, Principal Bench, New Delhi at optimal level. However due to outbreak of ongoing COVID-19, the manufacturing facility is operating at minimal capacity utilization.

Our Company is in the process of starting the manufacturing of recycled material in phased manner in adherence with guidelines issued by Government of India and State Government from time to time. Our recycled products would find its usage in various industries like pipes, electric cable, automotive industries, footwear and other plastic industries.

## Raw Material

Our Company intends to procure industrial waste from various collection centers on the basis of purchase orders.

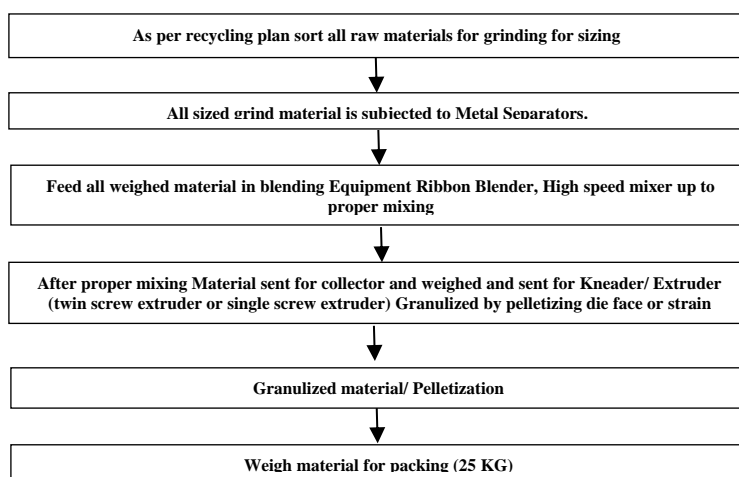
## Capacity Utilisation

The details of installed capacities for manufacturing of the Recycled Material granted to us are detailed through the table given below:

Recycling Material	Installed Capacity	Capacity Utilised
Polyethylene from MLP	1,000 MT/Annum	Negligible
Polystyrene from MLP	1,000 MT/Annum	Negligible
PET from PET Waste Plastic	1,000 MT/Annum	Negligible
PVC from PVC Waste Plastic	1,000 MT/Annum	Negligible
Polyethylene from Tetrapak Waste	1,000 MT/Annum	Negligible
Polypropylene from MLP	800 MT/Annum	Negligible
PET from MLP	900 MT/Annum	Negligible
Fibre Pulp from Tetrapak Waste	900 MT/Annum	Negligible

## Manufacturing process of Recycled Material

*The brief details of manufacturing process of recycled material are detailed below:*



## **FMCG segment and Agro Products**

Our Company initiated trading in raw and finished cashew nuts to pursue one of its business strategies which is to venture and expand into the FMCG segment. Our Company has recently acquired a manufacturing facility for processing of cashew nuts (purchased by us). The said manufacturing facility is at Office No. - 01, Dix Shipping Company Complex, Beach Road, Panabur, Mangalore, Karnataka – 575 016. However, as on date, the said manufacturing facility is yet to be fully operational.

Our Company has also initiated trading of certain agro products such as rice, pulses etc. and other allied activities. Our Company has also entered into a MOU with National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED) for export of agricultural products or commodities and articles to various countries across the world. Our Company has also received export order for exporting rice amounting U.S. \$ 1 lakhs.

## **Trading of Infrastructure Product**

In the year 2021, our Company has also entered into supplying of food grade piping systems for drinking water under the Jal Jeevan Mission initiated by Department of Drinking Water & Sanitation, Ministry of Jal Shakti, Government of India. Our Company also initiated trading of steel pipe, steel pipes fittings and bars.

## **Key Strengths**

### **Our competitive strengths are as follows:**

#### ***Experienced management team***

We are led by a group of individuals, having background and experience in the chemical and recycling industry. Our management comprises of professionals who have the requisite academic expertise and relevant experience in business management, commerce, etc. They hold requisite qualifications. Our Promoter, Vivek Garg and our management has a vast experience in chemical industry.

Our team is well qualified and experienced in the industry to which our Company caters and has been responsible for the growth of its operations. We believe the stability of our management team and the industry experience coupled with their strong reputes, will enable us to continue to take advantage of future market opportunities and expand into new markets.

#### ***Quality Assurance***

Our Company has always focused on providing quality products and services to our customers. This is necessary in order to ensure that we retain our existing customers and widen our customer base by providing assurance, reliability, and responsive services to our customers. We endeavor to maintain the quality of our services and follow strict procedures to ensure quality services and timely delivery at competitive rates.

#### **Long term relationship with the clients**

Our company focuses on providing the customers with the desired and standard quality products. By providing the desired quality and standards we aim to achieve the highest level of customer satisfaction and procure repeated orders from customers.

## **Business Strategies**

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

### **Exploring newer applications of our existing products as well as focusing on new product line**

Our Company aims to expand the sale of our products to other industries where such products have application. Our Company also intends to venture into the 'Food protection and Personal Hygiene' segment of the FMCG industry with the total investment of approximately ₹10,000 Lakhs in two years and intends to acquire a portfolio of trademarks, comprising of popular and well-established national brands.

Our Company also intends to tap into recycling of Multi-Layered Packages (MLP's), and is in the advance stages of joining hands with the renowned research institution to acquire technology and to set up its own manufacturing units for recycling of MLP's. Our Company has also filed an application to register its patent "Process for Recycling of Multi Layered Plastics and Converting these into Granules and Products for Societal Application" which is pending as on date.

Our Company also intends to enter into the Producer Responsibility Organization (PRO), Extended Producer Responsibility (EPR) as an extension of its recycling of plastic waste business, personal hygiene and other items of fast-moving consumer goods. This will enable our Company to venture into new product lines, processes, segments, and businesses which are under the existing circumstances conveniently and advantageously could be combined with the present activities of our Company.

Our Company has also completed the process of registration and has been granted with the stage-I clearance from State Investment Promotion Board, Bihar for setting up an Ethanol Distillery at Bhagalpur, Bihar under the Ethanol Production Promotion Policy 2021 with initial installed capacity of 60KL per-day and our Company is in process of making other application for various clearances, as may be required.

#### **Entering into new geographies**

We intend to cater to the increasing demand of our existing customers and also to increase our existing customer base by enhancing the reach of distribution of our products in different parts of the country. We propose to increase our marketing and sales team which can focus in different regions and also maintain and establish a good relationship with customers. Enhancing our presence in other regions will enable us to reach out to a larger population. Further, our Company believes in maintaining long term relationships with our customers in terms of increased sales. We aim to achieve this by adding value to our customers through innovation, quality assurance, timely delivery, and reliability of our products.

#### **Improving operational efficiencies**

Our Company intends to improve efficiencies and achieve cost reductions to enable our products to have competitive advantage. We believe that this can be achieved through economies of scale. As a result of these measures, our Company will be able to increase its market share and profitability.

#### **Attract and retain talented employee**

Employees are essential for the success of every organization. We rely on them to operate our manufacturing facilities and deliver quality performance to our clients. We constantly intend to continue our focus on improving health, safety and the workplace environment for our employees and provide various programs and benefits for the personal well-being and career development of our employees. We intend to strive to further reduce the employee attrition rate and retain more of our skilled workers for our future expansion by providing them with a better, safer and healthier working environment.

#### **Focus on consistently meeting quality standards**

Our Company intends to focus on adhering to the quality standards of the products. This is necessary so as to make sure that we have repetitive orders from our customers. Quality of the product is very important for our Company from both customer and regulatory point of view. Providing the desired and good quality product helps us in enhancing our brand value and maintaining long term relationships with our customers.

#### **Invest significantly in Research and development**

We intend to increase our initiatives in R&D in order to constantly study industry verticals to identify product inefficiencies in areas in which we could add value. Going forward, we intend to expand our research and development capabilities, by increasing our investment in employing qualified individuals from the industry. We believe that continued investments in R&D will enable us to increase our productivity, improve our operating efficiency, and will enable us to penetrate existing and new market segments.

### **Quality control and quality assurance**

Our Company has received ISO 9001:2015 certification with respect to the trading and manufacturing of various Polymer Compounds. Various in-process quality checks are performed to monitor product quality during the manufacturing process.

We believe that maintaining a high standard of quality of our products and our Manufacturing Facility is critical to our Company and its continued success. We have put in place systems that cover all areas of our business processes from manufacturing to product delivery for ensuring consistent high quality, efficacy and safety of our products.

### **Sales Marketing and Distribution**

We sell our products to our customers in India and as well as outside India. We have an in-house team dedicated to marketing, distribution and sale of our products, in India and abroad. We seek to maintain direct relationships with our key customers to better understand their requirements. Where required, we transport our products directly to our customers by land, air or sea ways, based on the circumstances involved and the requirements of our customers. We rely on freight forwarders to deliver our products. We do not have formal contractual relationships with our freight forwarders. The pricing for freight is negotiated on each shipment basis.

### **Human resources**

Our work force is a critical factor in maintaining quality and safety standards and that good relations with our workforce is critical in strengthening our competitive position in the market. As on December 31, 2021, we had 25 permanent employees on our roll.

### **Equipment and Machinery**

Our manufacturing facilities have been built with keeping in mind efficiency, safety and environmental factors. Our factory complex has all the key ingredients for a successful manufacturing unit. We have made all endeavors in procuring top of the line equipment that can effectively cater to specific customer needs. The major equipment and machinery installed at our manufacturing facility includes Kneader Machine, Plastic High-Speed Mixer, Rolling Machine & Grinding Machine, Single Screw Extruder, Slach Hydrates Dispenser Kneader, Twin Screw Extruder, Dehumidifier Air Dryer with Crystallizer, PVC Pipe Extruder Machine, Pulverizer, Homogenizer, Metal Separator, Hi speed Mixer and others.

### **Information technology**

We have implemented a modern information technology system, which helps us in day to day functioning of our business.

### **Regulatory and environmental matters**

We are subject to extensive environmental laws and regulations, including regulations relating to the prevention and control of water pollution and air pollution, environmental protection and hazardous waste management in relation to our manufacturing facility. These laws and regulations govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from our operations. Our Company has obtained the necessary environment related approvals in relation to our manufacturing facilities.

### **Health and safety**

We aim to comply with the applicable health and safety regulations and other requirements in our operations and comply with legislative requirements, requirements of our licenses, approvals, various certifications and ensuring the safety of our employees and the people working at our facility or under our management.

### **Intellectual property**

Except as set out below, our Company does not owns any intellectual property rights in relation to its business.

For, further information, please see section titled "**Risk Factor**" beginning on page 39 of this Preliminary Placement Document:

Our Company has filed an application to register its patent "Process for Recycling of Multi Layered Plastics and Converting these into Granules and Products for Societal Application" which is pending as on date.

### Insurance

We have obtained insurance with respect to our manufacturing facility, covering *inter alia* buildings, plant and machinery, furniture and stock located therein. Insurance coverage taken by our Company during the current financial year as well as for Fiscals 2021, 2020 and 2019 for stocks, buildings, furniture, plant and machinery as below:

		(₹ in million)
Sr. No.	Fiscal	Total insurance coverage taken for stocks, buildings, furniture, plant and machinery
	For Nine month ending December 31, 2021	281.50
1.	2021	251.50
2.	2020	315.10
3.	2019	96.00

While, our Company believes that we have adequately insured our assets, we can provide no assurance in this regard for further details, see section titled "**Risk Factors**" beginning on page 39 of this Preliminary Placement Document.

### Properties

The details of the material properties used by our Company for our operations are set forth below:

Sr. No.	Particulars	Address	Leased/ Owned
1.	Registered office	Vikas Apartments, G-1, 34/1 East Punjabi Bagh New Delhi-110026	Owned
2.	Manufacturing facility at Shahjahanpur (Rajasthan)	G-83, Vigyan Nagar, RIICO Industrial area, Shahjahanpur, Rajasthan 301706	Leased
3.	Manufacturing facility at Mangalore (Karnataka)	Office No. - 01, Dix Shipping Company Complex, Beach Road, Panabur, Mangalore, Karnataka – 575 016	Leased

There are certain other commercial properties which is owned by our Company for the purpose of investment.

## ORGANISATIONAL STRUCTURE

Our Company was incorporated as "*Akshatha Management Consultants Private Limited*" on November 9, 1995 as a private limited company under the Companies Act, 1956 and was granted the certificate of incorporation by the Registrar of Companies, National Capital Territory of Delhi and Haryana at New Delhi. Subsequently, the name of our Company was changed to Akshatha Services Private Limited and a fresh certificate of incorporation consequent upon change of name was granted by the Registrar of Companies, National Capital Territory Delhi and Haryana at New Delhi on May 29, 2001. Thereafter, on December 29, 2008, vide a fresh certificate of incorporation granted by the Registrar of Companies, National Capital Territory Delhi and Haryana at New Delhi, the name of the Company was changed to Moonlite Technochem Private Limited.

Our Company was then converted into a public limited company upon the receipt of approval from the Central Government and changed its name to Moonlite Technochem Limited and a fresh certificate of incorporation consequent upon change of name was granted by the Registrar of Companies, National Capital Territory Delhi and Haryana at New Delhi on November 1, 2016. Subsequent to the conversion, our Company again changed its name to Vikas Multicorp Limited and a fresh certificate of incorporation consequent upon change of name was granted by the Registrar of Companies, National Capital Territory Delhi and Haryana at New Delhi on January 24, 2017.

Pursuant to the order of the National Company Law Tribunal, Principal Bench, New Delhi dated October 31, 2018 approving the Scheme of Arrangement, the 'Recycled and Trading Compounds Division' of group concern 'Vikas Ecotech Limited' was demerged from Vikas Ecotech Limited and acquired by our Company. Pursuant to completion of said demerger, the equity shares of the Company were listed on May 8, 2019 at the NSE and the BSE.

The name of our Company has again changed to Vikas Lifecare Limited and a fresh certificate of incorporation dated April 9, 2021 was issued under the seal of Registrar of Companies, Delhi.

### **Organisational Structure**

As of the date of this Preliminary Placement Document, our Subsidiary and Associate are as set forth below:

#### ***Our Subsidiaries***

As of the date of this Preliminary Placement Document, our Company has one subsidiary namely, Genesis Gas Solutions Private Limited wherein our Company holds 75% of the total paid up capital of Genesis Gas Solutions Private Limited.

#### ***Our Associates***

As on the date of this Preliminary Placement Document, our Company has one associate company namely, Advik Laboratories Limited wherein our Company holds 22.04% of the total paid up capital of Advik Laboratories Limited.

## BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

### Board of Directors

Our Articles of Association require us to have not less than three (3) and not more than fifteen (15) Directors. As on date of this Preliminary Placement Document, we have six (6) Directors on our Board, comprising of three (3) Executive Directors and three (3) Independent Directors, including two (2) women directors. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

Pursuant to the provisions of the Companies Act, 2013, at least two-third of the total number of Directors, excluding the Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each AGM. A retiring Director is eligible for re-election. Further, an Independent Director may be appointed for a maximum of two consecutive terms of up to five consecutive years each. Any re-appointment of Independent Directors shall, inter alia, be on the basis of the performance evaluation report and approved by the shareholders by way of special resolution.

The following table sets forth details of our Board as on the date of this Preliminary Placement Document:

No.	Name, address, occupation, term, nationality and DIN	Age (years)	Designation
1.	<b>Mrs. Richa Sharma</b>  <b>Address:</b> D-2/32, Street No. 5, Mahavir Enclave, New Delhi – 110 045  <b>Occupation:</b> Service  <b>Term:</b> 5 Years till September 29, 2025  <b>Nationality:</b> Indian  <b>DIN:</b> 08709599	32	Non-Executive Independent Director - Chairperson
2.	<b>Mr. S. K. Dhawan</b>  <b>Address:</b> 27/63 1 <sup>st</sup> Floor, Old Rajinder Nagar, New Delhi, Centrail Delhi, Delhi - 110 060  <b>Occupation:</b> Professional  <b>Term:</b> 5 years till February 15, 2027  <b>Nationality:</b> Indian  <b>DIN:</b> 9508137	66	Additional Managing Director and Senior Vice President
3.	<b>Mr. Arvind Gupta</b>  <b>Address:</b> 107 C, GH-2, Ankur Appartment, Paschim Vihar, West Delhi, New Delhi – 110 063  <b>Occupation:</b> Professional  <b>Term:</b> 5 Years till September 23, 2026	63	Additional Director, Finance cum Chief Financial Officer



No.	Name, address, occupation, term, nationality and DIN	Age (years)	Designation
	<b>Nationality:</b> Indian		
	<b>DIN:</b> 02549596		
4.	<b>Mr. Vijay Kumar Sharma</b>  <b>Address:</b> House No. 1075, Sector-10, Faridabad, Haryana - 121 006  <b>Occupation:</b> Professional  <b>Term:</b> 5 Years till September 29, 2025  <b>Nationality:</b> Indian  <b>DIN:</b> 08721833	56	Whole Time Director - Chief Executive Officer
5.	<b>Mr. Anil Kumar</b>  <b>Address:</b> A-304, 3 <sup>rd</sup> Floor, Tower A, MSX Alpha Homes, Plot No. GH10, Alpha 1, Greater Noida, Gautam Buddha Nagar, Uttar Pradesh – 201 308  <b>Occupation:</b> Professional  <b>Term:</b> 5 Years till September 23, 2026  <b>Nationality:</b> Indian  <b>DIN:</b> 07215544	56	Non-Executive Independent Director -
6.	<b>Ms. Ruby Bansal</b>  <b>Address:</b> T-27B, Near Jain Sthanak, Uttam Nagar, D.K. Mohan Garden, West Delhi, New Delhi, Delhi – 110 059  <b>Occupation:</b> Professional  <b>Term:</b> 5 Years till September 23, 2026  <b>Nationality:</b> Indian  <b>DIN:</b> 09338232	36	Non-Executive Independent Director -

#### **Brief Profiles of our Directors**

##### **Ms. Richa Sharma, Chairman and Independent Director**

Ms. Richa Sharma is the Chairman and independent woman director on the Board of our Company. She joined our Company on September 30, 2020. She holds Master's Degree in Industrial Chemistry and is a Gold medalist. She also holds Ph.D. in Chemical Sciences from Amity University, Noida, Uttar Pradesh.

She has been awarded with BHAVAN (Building Energy Efficiency Higher and Advanced Network) fellowship award during her Ph.D. funded by Indo-U.S. Science and Technology Forum (IUSSTF), Department of Science & Technology, Government of India.

She holds more than five years of experience in R&D in sphere of Flyash based Composite Pigments & their Application in NIR Reflective Coatings. She also serves as an Assistant Professor, Applied Chemistry in Maharaja Agrasen Institute of Technology, Rohini, Delhi.

**Mr. S. K. Dhawan, Additional Managing Director and Senior Vice President**

Dr. S.K. Dhawan is a whole-time director on the Board of our Company. He holds a Master of Science degree in Chemistry (Physical), and has also completed his Ph.D from University of Rajasthan in Science and Zu-Satz Studium (Electroanalytical Chemistry). He is a scientist, who has been included in the list of top 2% Scientists from India, by Elsevier Research Intelligence and SciTech Strategies, of Stanford University, USA.

He served as an Ex-chief Scientist and Professor at the Academy of Scientific and Innovative Research, Chennai till recently. He is the Chairman of the Solid Waste & Plastic Waste Management Group (CPCB). He has experience in the following areas: Conducting Polymers, Composites for EMI shielding & ESD, Smart self-healing & Super hydrophobic coatings, OLED's, Ferromagnetic Conducting composites, Storage Energy, Waste Plastic Management, Oil Spill Control and Energy Storage.

**Mr. Arvind Gupta, Director, Finance cum Chief Financial Officer**

Mr. Arvind Gupta is an Executive Director cum Chief Financial Officer of the Company. He is a fellow member of the Institute of Chartered Accountants of India. He has over 35 years of experience in the field of finance and taxation.

**Mr. Vijay Kumar Sharma, Whole-Time Director & CEO**

Mr. Vijay Kumar Sharma is a whole-time director on the Board of our Company. He also serves as CEO of our Company. He holds post-graduation degree in Business Management and also holds bachelors' degree on Law. He joined our Company on September 30, 2020. He holds more than 19 years of experience in area of industrial relations, human resource management, project management and business development.

**Mr. Anil Kumar, Non-Executive - Independent Director**

Mr. Anil Kumar Deswal holds a Masters degree in Science (Agriculture). He holds a vast experience in the field of cultivation, preservation & storage of Agro Products. He also has a vast experience in the field of research & development on Agro Products.

**Ms. Ruby Bansal, Non-Executive - Independent Director**

Ms. Ruby Bansal holds a Ph.D. in Biological Sciences from the Institute of Genomics and Integrative Biology, Council of Scientific and Industrial Research. She has over 4 years of research experience from IIT Delhi. Ms. Bansal has vast experience in the fields of Organic Synthesis, Nanotechnology, Drug Delivery and Antimicrobial activity.

**Relationship with other Directors**

None of our directors are related to each other.

**Borrowing powers of the Board**

Our Board of Directors including any committee thereof vide a special resolution dated September 30, 2020 is authorised to borrow money, without limitation, from any bank or public financial institution, eligible foreign lender or entities and authorities, credit suppliers and any other securities such as floating rate notes, syndicated loans and debentures, commercial papers, short term loans and through credit from official agencies or by way of commercial borrowings for an aggregate amount not exceeding ₹1,000 million notwithstanding the money

borrowed may exceed the aggregate of the paid – up share capital and free reserves.

#### **Shareholding details of our Directors**

None of the Directors of our Company hold any shares in the Company as on the date of this Preliminary Placement Document.

#### **Senior Management of our Company**

The following are the Senior Management of our Company:

<b>Name of the Senior Management</b>	<b>Designation</b>
Mr. S. K. Dhawan	Additional Managing Director
Mr. Vijay Kumar Sharma	Chief Executive Officer
Mr. Arvind Gupta	Chief Financial Officer
Ms. Parul Rai	Company Secretary and Compliance Officer

#### **Shareholding of our Senior Management**

None of the Senior Management Personnel of our Company hold any Equity Shares in our Company as of the date of this Preliminary Placement Document.

#### **Interest of our Directors and Senior Management**

All our Directors may be deemed to be interested to the extent of their remuneration, sitting fees and compensation payable to them, commission as well as to the extent of reimbursement of expenses payable to them.

All Directors may also be regarded as interested in the Equity Shares held by, or subscribed by and allotted to, their relatives or the companies, firms and trust, in which they are interested as directors, members, partners, trustees.

Except as provided in "**Related Party Transactions**" beginning on page 64 of this Preliminary Placement Document, we have not entered into any contract, agreement or arrangement during the three Fiscals immediately preceding the date of this Preliminary Placement Document in which any of our Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them. For further details on the related party transactions, with our Directors during the last three Fiscals, see "**Related Party Transactions**" beginning on page 64 of this Preliminary Placement Document.

The Senior Management of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them and to the extent of the Equity Shares held by them or their dependents in our Company, if any, any dividend payable to them.

Other than as disclosed in this Preliminary Placement Document, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company, in which the Directors are interested. Our Company has neither availed of any loans from, nor extended any loans to our Directors, which are currently outstanding.

For further details on the related party transactions, with our Directors during the last three Fiscals, see "**Related Party Transactions**" beginning on page 64 of this Preliminary Placement Document.

Our Directors have no interest in the promotion of our Company as on the date of this Preliminary Placement Document.

Our Company does not have any bonus or profit-sharing plan with its Directors or Senior Management.

## Corporate governance

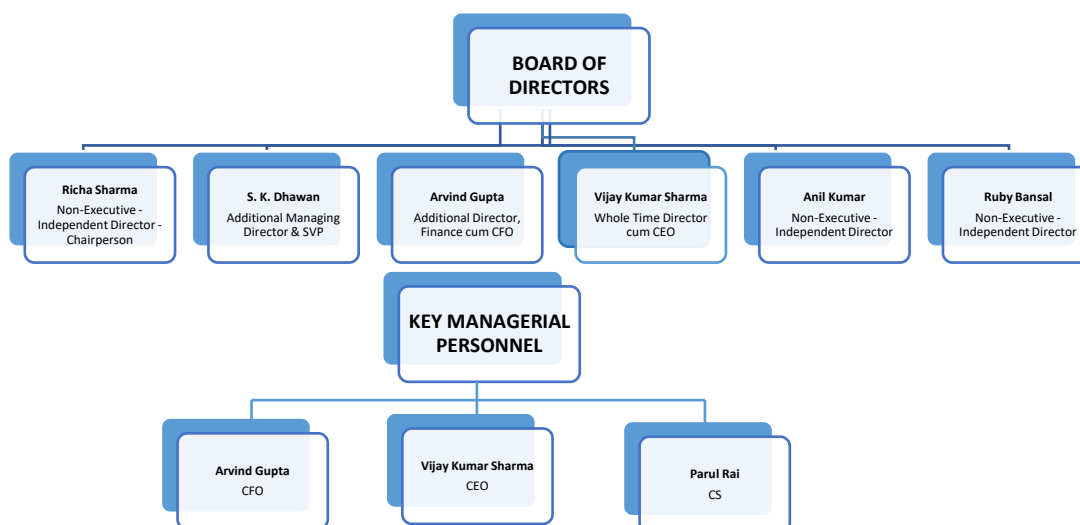
Our Company is in compliance with the corporate governance requirements including the constitution of Board and Committees thereof, as prescribed under the Companies Act and SEBI Listing Regulations.

### Committees of the Board of Directors

The Board of Directors have constituted committees, which function in accordance with the relevant provisions of the Companies Act and the SEBI Listing Regulations. The following table sets forth the members of the aforesaid committees as of the date of this Preliminary Placement Document:

Name of the Committee	Members
Audit Committee	<ul style="list-style-type: none"><li>• Ms. Richa Sharma (Chairperson)</li><li>• Mr. Vijay Kumar Sharma</li><li>• Ms. Ruby Bansal</li></ul>
Nomination and Remuneration Committee	<ul style="list-style-type: none"><li>• Ms. Ruby Bansal (Chairperson)</li><li>• Ms. Richa Sharma</li><li>• Mr. Anil Kumar</li></ul>
Stakeholders' Relationship Committee	<ul style="list-style-type: none"><li>• Ms. Richa Sharma (Chairperson)</li><li>• Ms. Ruby Bansal</li><li>• Mr. Anil Kumar</li></ul>

### Management Organization Structure



### Other Confirmations

None of the Directors, Promoters or Senior Management of our Company has any financial or other material interest in the Issue.

Neither our Company, nor any of our Directors or Promoters has been declared as a Willful Defaulter or a Fraudulent Borrower by any bank or financial institution or consortium thereof.

None of the Directors or the companies with which they are or were associated as promoters, directors are debarred from accessing the capital markets under any order or direction passed by the SEBI or any other governmental authority. Neither our Company, nor our Promoters or the companies with which our Promoters is or has been associated with a promoter or a person in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other governmental authority.

None of our Directors or Promoters has been declared as a Fugitive Economic Offender.

None of our Directors, Promoters or Senior Managerial personnel of our Company intends to subscribe to the Issue.

**Policy on disclosures and internal procedure for prevention of insider trading**

SEBI Insider Trading Regulations applies to us and our employees and requires us to formulate and implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and a code of conduct to regulate, monitor and report trading by designated persons. Our Company is in compliance with the same and has implemented an insider trading code of conduct for prevention of insider trading in accordance with the SEBI Insider Trading Regulations, in terms of which, Company Secretary, acts as the Compliance Officer of our Company under the aforesaid code of conduct for the prevention of insider trading.

## PRINCIPAL SHAREHOLDERS AND OTHER INFORMATION

Shareholding pattern of our Company, as on March 31, 2022, is set forth below.

**Table I - Summary Statement holding of specified securities**

Category (I)	Category of shareholder (II)	No.s of Share holders (III)	No. of fully paid up equity Share held (IV)	No.s of Partly paid-up equity Share held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)= (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR,1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a % of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights		Total	Total as a % of (A+B+C)			No.(a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class Equity	Class Preference									
(A)	Promoter & Promoter Group	18	16,38,13,968	-	-	16,38,13,968	14.8137	16,38,13,968	-	16,38,13,968	14.8137	-	14.8137	13,26,99,099	81.0060	-	-	16,38,13,968
(B)	Public	3,70,203	92,81,95,242	1,38,16,615	-	94,20,11,857	85.1863	94,20,11,857	-	94,20,11,857	85.1863	-	85.1863	-	-	-	-	93,94,04,098
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	3,70,221	1,09,20,09,210	1,38,16,615	-	1,10,58,25,825	100.0000	1,10,58,25,825	-	1,10,58,25,825	100.0000	-	100.0000	13,26,99,099	12.0000	-	-	1,10,32,18,066

**Table II - Statement showing shareholding pattern of the Promoter and Promoter Group**

No.	Category & Name of the shareholders (I)	Entity Type	PAN (II)	No of Share holders (III)	No of fully paid up equity Shares held (IV)	Part ly paid -up equi ty Sha re held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV)+(V)+(VI)	Sharehol ding % calculate d as per SCRR,19 57 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstati ng converti ble securiti es (includi ng Warran ts) (X)	Shareholdi ng, as a % assuming full conversion of convertibl e securities( as a % of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumber ed (XIII)		Number of equity shares held in demateria lized form (XIV)	
										No of Voting Rights					Total as a % of (A+B +C)	No. (a)	As a % of total share s held (b)	N o. (a)		As a % of total shar es held (b)
										Class Equity	Clas s Othe rs	Total								
1	Central Government/ State Government(s)																			
	Total			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Sub-Total (A)(1			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2	Indian																			
(a)	Individuals/Hindu undivided Family																			
	Vikas Garg		AAAPG82 41P	1	14,33,5 3,080	-	-	14,33,53,0 80	12.9634	14,33,5 3,080	-	14,33,53, 080	12.963 4	-	12.9634	11,26,9 9,099	78.62	-	-	14,33,53,0 80
	Vinod Kumar Garg		AAJPG327 7G	1	41,720	-	-	41,720	0.0038	41,720	-	41,720	0.0038	-	0.0038	-	-	-	-	41,720
	Asha Garg		AAHPG10 41Q	1	8,025	-	-	8,025	0.0007	8,025	-	8,025	0.0007	-	0.0007	-	-	-	-	8,025
	Usha Garg		AAHPG62 76D	1	9,075	-	-	9,075	0.0008	9,075	-	9,075	0.0008	-	0.0008	-	-	-	-	9,075
	Nand Kishore Garg		AAHPG62 78P	1	52,350	-	-	52,350	0.0047	52,350	-	52,350	0.0047	-	0.0047	-	-	-	-	52,350
	Seema Garg		AAJPG326 8R	1	7,307	-	-	7,307	0.0007	7,307	-	7,307	0.0007	-	0.0007	-	-	-	-	7,307
	Vivek Garg		AAJPG327 2D	1	2,00,01, 550	-	-	2,00,01,55 0	1.8087	2,00,01, 550	-	2,00,01,5 50	1.8087	-	1.8087	2,00,00, 000	99.99 22	-	-	2,00,01,55 0
	Ishwar Gupta		AAJPG327 4F	1	42,800	-	-	42,800	0.0039	42,800	-	42,800	0.0039	-	0.0039	-	-	-	-	42,800
	Nand Kishore Garg HUF		AAAHN24 12H	1	750	-	-	750	0.0001	750	-	750	0.0001	-	0.0001	-	-	-	-	750
	Vinod Kumar		AAAHV26 62M	1	84,781	-	-	84,781	0.0077	84,781	-	84,781	0.0077	-	0.0077	-	-	-	-	84,781

No.	Category & Name of the shareholders (I)	Enti ty Type	PAN (II)	No of Share holders (III)	No of fully paid up equity Shares held (IV)	Part ly paid -up equi ty Sha re held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)= (IV)+(V)+(VI)	Sharehol ding % calculate d as per SCRR,19 57 As a % of (A+B+C2 ) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstati ng converti ble securiti es (includi ng Warran ts) (X)	Sharehold ing, as a % assuming full conversion of convertibl e securities( as a % of diluted share capital) (XI)=(VII) +(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumber ed (XIII)		Number of equity shares held in demateria lized form (XIV)	
										No of Voting Rights					Total as a % of (A+B +C)	No. (a)	As a % of total share s held (b)	N o. (a )		As a % of total shar es held (b)
										Class Equity	Clas s Othe rs	Total								
	Garg & Sons HUF																			
	Shashi Garg		AAJPG327 5E	1	68,000	-	-	68,000	0.0061	68,000	-	68,000	0.0061	-	0.0061	-	-	-	-	68,000
	Namita Garg		AAOPJ018 1H	1	738	-	-	738	0.0001	738	-	738	0.0001	-	0.0001	-	-	-	-	738
	Vaibhav Garg		AKWPG70 39B	1	7,616	-	-	7,616	0.0007	7,616	-	7,616	0.0007	-	0.0007	-	-	-	-	7,616
	Vikas Garg HUF		AADHV27 36H	1	29,750	-	-	29,750	0.0027	29,750	-	29,750	0.0027	-	0.0027	-	-	-	-	29,750
	Vivek Garg HUF		AADHV27 37G	1	1,904	-	-	1,904	0.0002	1,904	-	1,904	0.0002	-	0.0002	-	-	-	-	1,904
	Jai Kumar Garg & Sons HUF		AAEHJ592 4L	1	18,500	-	-	18,500	0.0017	18,500	-	18,500	0.0017	-	0.0017	-	-	-	-	18,500
	Sukriti Garg		ALWPG64 13A	1	27,507	-	-	27,507	0.0025	27,507	-	27,507	0.0025	-	0.0025	-	-	-	-	27,507
	<b>Total</b>			<b>17</b>	<b>16,37,5 5,453</b>	<b>-</b>	<b>-</b>	<b>16,37,55,4 53</b>	<b>14.8084</b>	<b>16,37,5 5,453</b>	<b>-</b>	<b>16,37,55, 453</b>	<b>14.808 4</b>	<b>-</b>	<b>14.8084</b>	<b>13,26,9 9,099</b>	<b>81.03 49</b>	<b>-</b>	<b>-</b>	<b>16,37,55,4 53</b>
(b)	Central Government/State Government(s)																			
	<b>Total</b>																			
(c)	Financial Institutions/Banks																			
	<b>Total</b>																			
(d)	Any Other(Body Corporate)																			
	Vrinda Advanced Materials Limited		AAECP41 44R	1	58,515	-	-	58,515	0.0053	58,515	-	58,515	0.0053	-	0.0053	-	-	-	-	58,515
	<b>Total</b>			<b>1</b>	<b>58,515</b>	<b>-</b>	<b>-</b>	<b>58,515</b>	<b>0.0053</b>	<b>58,515</b>	<b>-</b>	<b>58,515</b>	<b>0.0053</b>	<b>-</b>	<b>0.0053</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>58,515</b>



No.	Category & Name of the shareholders (I)	Entity Type	PAN (II)	No of Share holders (III)	No of fully paid up equity Shares held (IV)	Partly paid-up equity Share held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV)+(V)+(VI)	Shareholding % calculated as per SCRR,1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities(as a % of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
										No of Voting Rights					Total as a % of (A+B+C)	No. (a)	As a % of total shares held (b)	No. (a)		As a % of total shares held (b)
										Class Equity	Classes Others	Total								
(d)	Any Other(HINDU UNDIVIDED FAMILY)																			
	Total			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Sub-Total (A)(2)			18	16,38,13,968	-	-	16,38,13,968	14.8137	16,38,13,968	-	16,38,13,968	14.8137	-	14.8137	13,26,99,099	81.0060	-	-	16,38,13,968
3	Foreign																			
(a)	Individuals(Non-Resident Individuals/Foreign Individuals)																			
	Total			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(c)	Institutions																			
	Total			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Sub-Total (A)(3)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total Shareholding of Promoter and Promoter Group			18	16,38,13,968	-	-	16,38,13,968	14.8137	16,38,13,968	-	16,38,13,968	14.8137	-	14.8137	13,26,99,099	81.0060	-	-	16,38,13,968

**Table III - Statement showing shareholding pattern of the Public shareholder**

Category & Name of the shareholders (I)	PAN (II)	No.s of Share holder (s) (III)	No. of fully paid up equity Share held (IV)	Partly paid-up equity Share held (V)	No.s of shares underlying Deposit ory Receipts (VI)	Total nos. shares held (VII)=(IV)+(V)+(VI)	Share holdin g % calculated as per SCRR ,1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlyin g Outstanding convertibl e securities (including Warrants) (X)	Total Shareholding, as a % assuming full conversion of convertible securities( as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialize d form (XIV)	
								No of Voting Rights			Total as a % of Total Voting Rights			No. (a)	As a % of total shares held (b)	No. (Not applicable) (a)	As a % of total shares held (b)		
								Class Equity x	Class Othe rs y	Total									
1	Institutions																		
(a)	Mutual Funds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(b)	Venture Capital Funds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(c)	Alternate Investment Funds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(d)	Foreign Venture Capital Investors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(e)	Foreign Portfolio Investors		5	2,96,897	-	-	2,96,897	0.0268	29,6897	-	2,96,897	0.0268	-	0.0268	-	-	NA	NA	2,96,897
(f)	Financial Institution/Banks		1	3,005	-	-	3,005	0.0003	3,005	-	3,005	0.0003	-	0.0003	-	-	NA	NA	3,005
(g)	Insurance Companies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(h)	Provident Funds/ Pension Funds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
	SUB TOTAL (B)(1)		6	2,99,902	-	-	2,99,902	0.0271	2,99,902	-	2,99,902	0.0271	-	0.0271	-	-	NA	NA	2,99,902
2	Central / State government(s)																		
(a)	Central Government/ State Government(s)/President of India		-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
	SUB TOTAL (B)(2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
3	Non-institutions																		
(a.1)	Individuals - i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.		3,66,126	71,38,86,429	1,00,13,026	-	72,38,99,455	65.4623	71,78,91,639	-	71,78,91,639	65.4094	-	65.4623	-	-	NA	NA	72,14,37,896

Category & Name of the shareholders (I)	PAN (II)	No.s of Share holders (III)	No. of fully paid up equity Share held (IV)	Partly paid-up equity Share held (V)	No.s of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV)+(V)+(VI)	Share holding % calculated as per SCRR,1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total Shareholding, as a % assuming full conversion of convertible securities( as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)			
								No of Voting Rights					Total as a % of Total Voting Rights							
								Class Equity x	Class Others y	Total										
														No. (a)	As a % of total shares held (b)	No. (Not applicable) (a)		As a % of total shares held (b)		
(a.2)	INDIVIDUAL - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.		266	14,30,54,611	34,92,500	-	14,65,47,111	13.2523	14,44,51,611	-	14,44,51,611	13.1614	-	13.2523	-	-	NA	NA	14,65,47,111	
(b)	NBFCs registered with RBI		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(c)	Employee Trusts		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(d)	Overseas Depositories (holding DRs) (balancing figure)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(e)	Any Other (Bodies Corporate)		282	2,03,46,272	58,953	-	2,04,05,225	1.8452	2,03,69,853	-	2,03,69,853	1.8560	-	1.8452	-	-	-	NA	NA	2,03,72,725
(f)	Any Other (Clearing Member)		87	53,20,007	2,500	-	53,22,507	0.4813	53,21,007	-	53,21,007	0.4848	-	0.4813	-	-	-	NA	NA	53,22,507
(g)	Any Other (Hindu Undivided Family)		2,036	2,89,08,340	1,42,446	-	2,90,50,786	2.6271	2,89,65,318	-	2,89,65,318	2.6391	-	2.6271	-	-	-	NA	NA	2,90,50,786
(h)	Any Other(Non Resident Indians)		1,398	1,63,58,095	1,07,190	-	1,64,65,285	1.4890	1,64,00,971	-	1,64,00,971	1.4943	-	1.4890	-	-	-	NA	NA	1,63,51,585
(i)	Any Other (Trusts)		2	21,586	-	-	21,586	0.0020	21,586	-	21,586	0.0020	-	0.0020	-	-	-	NA	NA	21,586
(j)	Akhil Mittal HUF (More than 1 percentage of shareholding)		1	1,37,25,077	-	-	1,37,25,077	1.2411	1,37,25,077	-	1,37,25,077	1.2505	-	1.2411	-	-	-	NA	NA	1,37,25,077
	SUB TOTAL (B)(3)		3,70,197	92,78,95,340	1,38,16,615	-	94,17,11,955	85.1592	93,34,21,985	-	93,34,21,985	85.0470	-	85.1592	-	-	-	NA	NA	93,91,04,196
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)		3,70,203	92,81,95,242	1,38,16,615	-	94,20,11,857	85.1863	93,37,21,887	-	93,37,21,887	85.0743	-	85.1863	-	-	-	-	NA	93,94,04,098

**Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**

Category & Name of the shareholders (I)	PAN (II)	No. of Share holders (III)	No. of fully paid up equity Share held (IV)	Partly paid-up equity Share held (V)	No.s of shares underlying Depository Receipts (VI)	Total no. shares held (VII)= (IV)+(V)+(VI)	Share holding % calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total Shareholding, as a % assuming full conversion of convertible securities( as a % of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights	Class	Equity	Class Other	Total	Total as a % of (A+B+C)	No. (a)	As a % of total shares held (b)	No. (Not applicable) (a)	As a % of total shares held (Not applicable) (b)	
1 Custodian/DR Holder																		
I -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
<b>Total Non Promoter- Non Public Shareholding</b> (C)=(C)(1) +(C)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-

## ISSUE PROCEDURE

*The following is a summary intended to present a general outline of the procedure relating to the Bidding, application, payment of Application Amount, Allocation and Allotment of Equity Shares. The procedure followed in the Issue may differ from the one mentioned below and the investors are assumed to have apprised themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisors in this regard. Bidders that apply in the issue will be required to confirm and will be deemed to have represented to our Company, the BRLM and their respective directors, officer, agents affiliate and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Also see "Selling Restrictions" and "Transfer Restrictions and Purchaser Representation" beginning on page 131 and 140 of this Preliminary Placement Document, respectively.*

*Our Company, the BRLM and their respective directors, officers, agents, advisors, shareholders, employees, counsel, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations, and other applicable laws.*

### **Qualified Institutions Placement**

**THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBs ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.**

This Preliminary Placement Document has not been, and the Placement Document will not be, filed as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act and rules thereunder, through the mechanism of a QIP. Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, our Company, being a listed company in India may issue eligible securities to Eligible QIBs provided that certain conditions are met by such Company. Some of these conditions are set out below:

- the shareholders of the issuer have passed a special resolution approving such QIP. Such special resolution must *inter alia* specify that, (a) the allotment of securities is proposed to be made pursuant to the QIP; and (b) the relevant date for the QIP;
- the explanatory statement to the notice to the shareholders for convening the general meeting must disclose, among other things, the particulars of the issue including the date of passing the board resolution, the kind of securities being offered, amount which our Company intends to raise by way of such securities and the material terms of raising such securities, proposed issue schedule, the purpose or objects of offer, the contribution made by the promoters or directors either as part of the offer or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;
- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the equity shares of the same class of such issuer, which are proposed to be allotted through the QIP, are listed on a recognised stock exchange in India having nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to seek approval of the shareholders for the abovementioned special resolution;

- invitation to apply in this Issue must be made through a private placement offer-cum-application form serially numbered and addressed specifically to the Eligible QIBs to whom the QIP is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law; the Issuer shall have completed allotments with respect to any earlier offer or invitation made by the Issuer or shall have withdrawn or abandoned such invitation or offer made by the Issuer, except as permitted under the Companies Act;
- the issuer shall not make any subsequent QIP until the expiry of two weeks from the date of the previous QIP;
- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum-application (i.e., this Preliminary Placement Document), the issuer shall prepare and record a list of Eligible QIBs to whom the Issue will be made. The QIP must be made only to such Eligible QIBs whose names are recorded by the issuer prior to the invitation to subscribe;
- the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the QIP is prohibited;
- In accordance with the SEBI ICDR Regulations, securities will be issued and allotment shall be made only in dematerialized form to the allottees; and
- the promoter and directors of the issuer are not Fugitive Economic Offenders.

At least 10% of the equity shares issued to Eligible QIBs shall be available for Allocation to Mutual Funds, provided that, if this portion, or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders are not allowed to withdraw or revise downwards their Bids after the Bid/ Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The floor price of the equity shares issued under the QIP shall not be less than the average of the weekly high and low of the closing prices of the issuer's equity shares of the same class quoted on the stock exchanges during the two weeks preceding the relevant date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. However, a discount of up to 5% of the floor price is permitted in accordance with the provisions of the SEBI ICDR Regulations. Our Board through its resolution dated January 10, 2022 and our Shareholders through a special resolution on February 18, 2022, have authorised our Board to decide the quantum of discount up to 5% of the Floor Price at the time of determination of the Issue Price.

The Issue Price shall be subject to appropriate adjustments, if our Company makes any alteration to its share capital as mentioned in Regulation 176 (4) of the SEBI ICDR Regulations.

The "relevant date" mentioned above in case of allotment of equity shares, refers to the date of the meeting in which the board of directors or the committee of directors duly authorised by the board of the issuer decides to open the proposed issue and "stock exchange" means any of the recognised stock exchanges in India on which the equity shares of the issuer of the same class are listed and on which the highest trading volume in such shares has been recorded during the two weeks immediately preceding the relevant date.

The securities must be allotted within 365 days from the date of the shareholders' resolution approving the QIP in one or tranches and also within 60 days from the date of receipt of Application Amount from the successful Eligible QIBs. For details of Allotment, see "**Pricing and Allocation – Designated Date and Allotment of Equity Shares**" below.

The Equity Shares issued pursuant to the Issue must be issued on the basis of this Preliminary Placement Document and the Placement Document that shall contain all material information including the information specified in Schedule VII of the SEBI ICDR Regulations and the requirements prescribed under PAS Rules and Form PAS-4. This Preliminary Placement Document and the Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the

website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of this Preliminary Placement Document addressed to you, you may not rely on this Preliminary Placement Document or Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue.

The minimum number of allottees for each QIP shall not be less than:

- two, where the issue size is less than or equal to ₹25,000 lakhs; and
- five, where the issue size is greater than ₹25,000 lakhs.

No single Allottee shall be Allotted more than 50% of the Issue Size. Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes "same group" or "common control", see "*Application Form – Bid Process*" on beginning page 122 of this Preliminary Placement Document.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognised stock exchange.

We have applied for and received the in-principle approval of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges. We have filed a copy of this Preliminary Placement Document and will file a copy of the Placement Document with the Stock Exchanges.

We shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act and the PAS Rules.

The Issue has been authorised and approved by our Board on January 10, 2022 and our Shareholders vide their special resolution through postal ballot on February 18, 2022.

**Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.**

**The Equity Shares offered hereby have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares offered in this Issue are being offered and sold outside the United States in "offshore transactions" as defined in, and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.**

**The Equity Shares issued pursuant to this Issue have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold. And Bids may not be made by persons in any such jurisdictions, except in compliance with the applicable laws of such jurisdiction.**

#### **Issue Procedure**

1. On Bid / Issue Opening Date, our Company in consultation with the BRLM shall circulate serially numbered copies of this Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form to Eligible QIBs and the Application Form will be specifically addressed to such Eligible QIBs. In terms of Section 42(3) of the Companies Act, our Company shall maintain complete records of such Eligible QIBs in the form and manner prescribed under the PAS Rules, to whom this Preliminary Placement Document and the serially numbered Application Form have been dispatched or circulated, as the case may be. Our Company will make the requisite filings with RoC within the stipulated time period as required under the Companies Act.

2. The list of QIBs to whom the Application Form is delivered shall be determined by our Company in consultation with the BRLM. Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Application Amount is to be deposited, is addressed to a particular Eligible QIB, no invitation to subscribe shall be deemed to have been made to such Eligible QIB. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Bid/Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Application Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.
3. Eligible QIBs may submit an Application Form, including any revisions thereof, along with the Application Amount transferred to the Escrow Account specified in the Application Form and a copy of the PAN card or PAN allotment letter and/or any other documents mentioned in the Application Form, during the Bid/ Issue Period to the BRLM.
4. Bidders will be required to indicate the following in the Application Form:
  - full official name of the Bidder to whom Equity Shares are to be Allotted, complete address, email id, PAN details (if applicable), phone number and bank account details;
  - number of Equity Shares Bid for;
  - price at which they are agreeable to subscribe to the Equity Shares and the aggregate Application Amount for the number of Equity Shares Bid for;
  - an undertaking that they will deliver an offshore transaction letter to our Company prior to any sale of Equity Shares confirming that they will not re-offer, re-sell, pledge or otherwise transfer the Equity Shares, except in an offshore transaction on a recognized Indian stock exchange in compliance with Regulation S under the Securities Act;
  - details of the beneficiary account maintained by the Depository Participant to which the Equity Shares should be credited pursuant to the Issue;
  - equity shares held by the Bidder in our Company prior to the Issue; and
  - a representation that it is outside the United States and it has agreed to certain other representations set forth in the "**Representations by Investors**" on page 5 and "**Transfer Restrictions and Purchaser Representation**" on page 140 of the Preliminary Placement Document and certain other representations made the Application Form.

***NOTE:** Eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.*

5. Eligible QIBs shall be required to make the entire payment of the Application Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name and style of 'Vikas Lifecare Limited - Escrow Account' with the Escrow Agent, within the Bid/Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Application Amount for the Equity Shares shall be made from the bank



accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. No payment shall be made in the Issue by the Bidders in cash. Application Amount payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application Form. Until Allotment, and the filing of return of Allotment by our Company with the RoC, or receipt of final listing and trading approvals from the Stock Exchanges, whichever is later, Application Amount received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act. Notwithstanding the above, in the event (a) any Bidder is not allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, (c) the Application Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but on or prior to the Issue Closing Date, the excess Application Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in "**Issue Procedure – Refunds**" on page 127 of this Preliminary Placement Document.

6. Once a duly completed Application Form is submitted by a Bidder and the Application Amount is transferred to the Escrow Account, such application constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Bid/ Issue Closing Date. In case of an upward revision before the Bid/ Issue Closing Date, an additional amount shall be required to be deposited towards the Application Amount in the Escrow Account along with the submission of such revised Bid. The Bid/ Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.
7. The Eligible QIBs acknowledge that in accordance with the requirements of the Companies Act, upon Allocation, our Company will be required to disclose the names of proposed Allottees and the percentage of their post Issue shareholding in the Placement Document and consents to such disclosure, if any Equity Shares are allocated to it.
8. The Bids made by asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI.
9. Upon receipt of the duly completed Application Form, whether signed or not and the Application Amount in the Escrow Account, on or after the Bid/ Issue Closing Date, our Company shall, in consultation with BRLM determine the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determination, the BRLM, on behalf of our Company, will send the serially numbered CAN and the Placement Document to the Successful Bidders. The dispatch of a CAN, and the Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. In case of Bids being made on behalf of the Eligible QIB where the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form. **Please note that the Allocation will be at the absolute discretion of our Company and shall be in consultation with the BRLM.**
10. Upon determination of the Issue Price and before Allotment of Equity Shares to the Successful Bidders, the BRLM, shall, on our behalf, send a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

11. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. Our Company will inform the Stock Exchanges of the details of the Allotment.
12. After passing the resolution passed by the Board or its committee approving the Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the Depository Participant, as specified in the records of the depositories or as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.
13. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.
14. Our Company will then apply for the final trading approvals from the Stock Exchanges.
15. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Successful Bidders shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.
16. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Company and the BRLM shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

#### **Eligible Qualified Institutional Buyers**

Only Eligible QIBs are eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to FPIs, only Eligible FPIs applying under Schedule II of the FEMA Non-Debt Rules will be considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue (not being excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations) and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- alternate investment funds registered with SEBI;
- Eligible FPIs;
- insurance companies registered with Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions;
- Mutual Funds registered with SEBI;
- pension funds with minimum corpus of ₹ 250 lakhs;
- provident funds with minimum corpus of ₹ 250 lakhs;
- public financial institutions;
- scheduled commercial banks;
- state industrial development corporations;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India;
- venture capital funds registered with SEBI; and
- systemically important non-banking financial companies.

*Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.*

**ELIGIBLE FPIS ARE PERMITTED TO PARTICIPATE UNDER SCHEDULE II OF FEMA RULES IN THIS ISSUE. ELIGIBLE FPIS ARE PERMITTED TO PARTICIPATE IN THE ISSUE SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF THE FPIS DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. FVCIS ARE NOT PERMITTED TO PARTICIPATE IN THIS ISSUE.**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means common ownership of more than fifty per cent or common control) is not permitted to exceed 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Rules, the total holding by each FPI including its investor group shall be below 10% of the total post- Issue paid-up Equity Share capital of our Company on a fully diluted basis. In case the holding of an FPI including its investor group increases to 10% or more of the total post-Issue paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done within the above prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per procedure specified by SEBI and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (a) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable. Further, the aggregate limit of all FPIs investments is up to the sectoral cap applicable to the sector in which our Company operates. The existing aggregate investment limit for FPIs in our Company is 100% of the paid-up capital of our Company, on a fully diluted basis.

Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company.

Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed CDSL as the designated depository to monitor the level of FPI/NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. SEBI however, pursuant to its Circular dated May 17, 2018 (Circular No: SEBI/HO/IMD/FPIC/CIR/P/2018/81), directed that this system of monitoring foreign investment limits in Indian listed companies be made operational with effect from June 1, 2018. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. For a description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain jurisdictions, see "***Selling Restrictions***" on page 131 of this Preliminary Placement Document.

### **Restriction on Allotment**

Pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any Eligible QIB being a promoter, or any person related to, the promoter. QIBs, which have all or any of the following rights, shall be deemed to be persons related to the promoter:

- rights under a shareholders' agreement or voting agreement entered into with the promoters or members of the promoter group;
- veto rights; or
- a right to appoint any nominee director on the board of the Issuer.

Provided, however, that an Eligible QIB which does not hold any Equity Shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the promoter.

Our Company, the BRLM and any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, advisors or affiliates shall not be liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply.

Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations and ensure compliance with applicable laws.

**A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of undersubscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.**

*Note:* Affiliates or associates of the BRLM who are Eligible QIBs may participate in the Issue in compliance with applicable laws.

## **Bid Process**

### *Application Form*

Eligible QIBs shall only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and the BRLM in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of this Preliminary Placement Document and the Placement Document. By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Preliminary Placement Document, the Eligible QIB will be deemed to have made all the following representations and warranties and the representations, warranties and agreements made under "*Notice to Investors*", "*Representations by Investors*" and "*Selling Restrictions*" beginning on pages 1, 5 and 131, respectively:

1. Each Eligible QIB confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;
2. Each Eligible QIB confirms that it is not a Promoter and is not a person related to the Promoter(s), either directly or indirectly and its Application Form does not directly or indirectly represent the Promoter(s) or members of the Promoter Group or persons related to the Promoter(s);
3. Each Eligible QIB confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoter or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender not holding any Equity Shares which shall not be deemed to be a person related to the Promoter(s);
4. Each Bidder confirms that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and is eligible to invest in India under applicable law, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;
5. Each Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Bid / Issue Closing Date;

6. Each Bidder confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than the floor of a recognised Stock Exchange;
7. Each Eligible QIB confirms that the Eligible QIB is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. Each Eligible QIB further confirms that the holding of the Eligible QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the Eligible QIB;
8. Each Eligible QIB confirms that its Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations;
9. The Eligible QIB agrees that it will make payment of its Application Amount along with submission of the Application Form within the Issue Period. Each Eligible QIB agrees that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Application Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date;
10. The Eligible QIB agrees that although the Application Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the BRLM. The Eligible QIB further acknowledges and agrees that the payment of Application Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;
11. The Eligible QIB acknowledges that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose names as "*proposed Allottees*" and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document and such QIB consents of such disclosure, if any Equity Shares are Allocated to it. However, the Eligible QIB further acknowledges and agrees that, disclosure of such details as "*proposed Allottees*" in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLM;
12. The Eligible QIB confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:
  - (a) QIBs "*belonging to the same group*" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other Eligible QIB; and
  - (b) 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;
13. The Eligible QIBs acknowledge that no Allocation shall be made to them if the price at which they have Bid for in the Issue is lower than the Issue Price.
14. Each Eligible QIB confirms that it shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.
15. Each Eligible FPI, confirms that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis. The Bidder confirms that it, individually or together

with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations.

16. A representation that such Bidder is outside the United States, is acquiring the Equity Shares in an "offshore transaction" under Regulation S and is not an affiliate of our Company or the BRLM or a person acting on behalf of such an affiliate

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India and the FDI Policy, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated August 28, 2017.

**ELIGIBLE QIBs MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, PHONE NUMBER, EMAIL ID, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN, DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANTS IDENTIFICATION NUMBER AND ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM, ELIGIBLE QIBs MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.**

**IF SO REQUIRE BY THE BRLM, THE ELIGIBLE QIBs SUBMITTING A BID ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE BRLM TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.**

**IF SO REQUIRED BY THE BRLM, ESCROW AGENT OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER BID/ISSUE CLOSING DATE, THE ELIGIBLE QIBs SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.**

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Application Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Application Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Application Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder and becomes a binding contract on a Successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by our Company (by itself or through the BRLM) in favour of the Successful Bidder.

#### Submission of Application Form

All Application Forms must be duly completed with information including the number of Equity Shares applied for along with payment and a copy of the PAN card or PAN allotment letter. Additionally, the Application Form will include details of the relevant Escrow Account into which the Application Amounts will have to be deposited. The Application Amount shall be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the Book Running Lead Manager either through electronic form or through physical delivery at either of the following addresses:

Name	Address	Contact Person	Email	Phone (telephone)
Fedex Securities Private Limited	B 3, Jay Chambers, Dayaldas Road, Vile Parle (East) - 400 057	Saipan Sanghvi	<a href="mailto:mb@fedsec.in">mb@fedsec.in</a>	+91 81049 85249

The BRLM shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Application Amount.

Bidders Bidding in the Issue shall pay the entire Application Amount along with the submission of the Application Form, within the Issue Period.

#### **Payment of Application Amount**

Our Company has opened the Escrow Account in the name of "Vikas Lifecare Limited - Escrow Account" with the Escrow Agent, in terms of the Escrow Agreement entered among our Company, the Book Running Lead Manager and the Escrow Agent. Each Bidder will be required to deposit the Application Amount payable for the Equity Shares Bid by it along with the submission of the Application Form and during the Bid/ Issue Period. Bidders can make payment of the Application Amount only through electronic transfer of funds from their own bank account.

**Note: Payments are to be made only through electronic fund transfer. Payments made through cash or cheques are liable to be rejected. Further, if the payment is not made favouring the Escrow Account, the Application Form is liable to be rejected.**

Pending Allotment, our Company undertakes to utilise the amount deposited in "Vikas Lifecare Limited - Escrow Account" only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Application Amount in terms of this Preliminary Placement Document. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in "*Issue Procedure – Refunds*" on page 127 of this Preliminary Placement Document.

#### **Bank Account Details**

Each Bidder shall mention the details of the bank account from which the payment of Application Amount has been made along with confirmation that such payment has been made from such account.

#### **Pricing and Allocation**

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the stock exchange during the two weeks preceding the Relevant Date. For the purpose of determination of the Floor Price, '*stock exchange*' shall mean any of the recognised stock exchanges in which the Equity Shares are listed and in which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. However, our Company may offer a discount of not more than 5% of the Floor Price in accordance with the approval of the Shareholders of our Company accorded through their resolution passed on February 18, 2022, and in terms of Regulation 176(1) of the SEBI ICDR Regulations.

Our Company, in consultation with the BRLM, shall determine the Issue Price, which shall be at or above the Floor Price.

The "Relevant Date" referred to above will be the date of the meeting in which the Board or the committee thereof decides to open the Issue and "stock exchange" means any of the recognized stock exchanges in India on which the Equity Shares of the issuer of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. After finalisation of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

#### **Build-up of the Book**

The Bidders shall submit their Bids (including any revision thereof) through the Application Forms within the Bid/ Issue Period to the Book Running Lead Manager. Such Bids cannot be withdrawn or revised downwards after the Bid/ Issue Closing Date. The book shall be maintained by the Book Running Lead Manager.

## **Method of Allocation**

Our Company shall determine the Allocation in consultation with the Book Running Lead Manager on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations. Application Forms received from the Bidders at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Bidders will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price. In case of cancellations or default by the Bidders, our Company in consultation with BRLM has the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

**THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL ELIGIBLE QIBS. ELIGIBLE QIBS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE APPLICATION AMOUNT AT OR ABOVE THE ISSUE PRICE WITHIN THE BID/ISSUE PERIOD. NEITHER OUR COMPANY NOR THE BRLM ARE NOT OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.**

## **CAN**

Based on receipt of the serially numbered Application Forms and Application Amount, our Company, in consultation with the Book Running Lead Manager, in their sole and absolute discretion, shall decide the Successful Bidders to whom the serially numbered CAN shall be dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Application Amount for the Equity Shares Allocated to them shall be notified to such Successful Bidders. The CAN shall also include details of amount to be refunded, if any, to such Bidders. Additionally, the CAN will include the probable Designated Date, being the date of credit of the Equity Shares to the Successful Bidders' account, as applicable to the respective Bidder.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in our Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document (when dispatched), to the respective Successful Bidders shall be deemed a valid, binding and irrevocable contract for such Bidders to subscribe to the Equity Shares Allocated to them. Subsequently, our Board will approve the Allotment of the Equity Shares to the Allottees in consultation with the Book Running Lead Manager.

Eligible QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue. By submitting the Application Form, a Bidder would have deemed to have made the representations and warranties as specified in "*Notice to Investors*" on page 1 of this Preliminary Placement Document and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

## **Designated Date and Allotment of Equity Shares**

1. Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the CAN.
2. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act. However, no transfer of securities in listed companies in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.



3. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.
4. Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall apply to the Stock Exchanges for listing approvals and post receipt of the listing approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the beneficiary accounts of the Allottees.
5. Following the credit of Equity Shares into the respective Allottees' beneficiary accounts, our Company will apply for the final listing and trading approvals from the Stock Exchanges.
6. The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and our Company files the return of Allotment in connection with the Issue under Form PAS-3 with the RoC within the prescribed timelines under the Companies Act.
7. After finalization of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file it with the Stock Exchanges as the Placement Document, which will include names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company. Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with the Placement Document.

### **Refunds**

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or the Bidder has deposited the Application Amount arrived at using a price higher than the Issue Price or Equity Shares are not Allocated to a Bidder for any reasons or the Issue is cancelled prior to Allocation, or a Bidder lowers or withdraws the Bid prior to the Bid/ Issue Closing Date, any excess Application Amount paid by such Bidder will be refunded to the same bank account from which Application Amount was remitted as set out in the Application Form. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN.

In the event that we are unable to issue and Allot the Equity Shares offered in the Issue or if the Issue is cancelled within 60 days from the date of receipt of application monies, our Company shall repay the application monies within 15 days from the expiry of 60 days, failing which our Company shall repay that monies with interest at the rate of 12% p.a. from expiry of the sixtieth day. The application monies to be refunded by us shall be refunded to the same bank account from which application monies was remitted by the Bidders, as mentioned in the Application Form. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, the Depositories Act and other applicable laws.

We, at our sole discretion, reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever. Following the Allotment and credit of Equity Shares into the Eligible QIBs' Depository Participant accounts, we will apply for final trading and listing approvals from the Stock Exchanges. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

### **Release of Funds to our Company**

The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and our Company files the return of Allotment in connection with the Issue with the

RoC, whichever is later.

## **Other Instructions**

### ***Submission of Documents***

A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practicable.

### ***Permanent Account Number or PAN***

Each Bidder should mention its PAN (except Bids from any category of Bidders, which may be exempted from specifying their PAN for transacting in the securities market) allotted under the IT Act. A copy of PAN card is required to be submitted with the Application Form. Further, the Application Forms without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that applicants should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

### ***Bank account details***

Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

### ***Right to Reject Applications***

Our Company, in consultation with the Book Running Lead Manager, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the Book Running Lead Manager in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Application Amount paid by the Bidder shall be refunded to the same bank account from which the Application Amount was remitted by such Bidder as set out in the Application Form. For details, see "***Issue Procedure***" – "***Refund***" on page 127 of this Preliminary Placement Document.

### ***Equity Shares in dematerialised form with NSDL or CDSL***

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL. The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges. Our Company and the Book Running Lead Manager shall not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

## PLACEMENT

### Placement Agreement

The Book Running Lead Manager has entered into the Placement Agreement dated May 14, 2022 with our Company, pursuant to which the Book Running Lead Manager has agreed, subject to certain conditions, to manage this Issue and to act as placement agents in connection with the proposed Issue and procure subscription to Equity Shares on a reasonable efforts basis.

The Equity Shares will be placed with the Eligible QIBs pursuant to this Issue under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act read with the rules made thereunder. The Placement Agreement contains customary representations and warranties, as well as indemnities from our Company and is subject to satisfaction of certain conditions and termination in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to this Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

This Preliminary Placement Document has not been, and will not be, registered as a prospectus with the Registrar of Companies, and no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs.

The BRLM and their affiliates may in the future engage in transactions with and perform services for our Company and our Subsidiary or affiliates in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and our Subsidiary or affiliates, for which they would have received compensation and may in the future receive compensation.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. Accordingly, the Equity Shares are being offered and sold by our Company outside the United States, in "offshore transactions", as defined in, and in reliance on, Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

### Relationship with the Book Running Lead Manager

In connection with the Issue, the Book Running Lead Manager or its affiliates may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and subscription or sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Book Running Lead Manager may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Manager may purchase or subscribe to the Equity Shares or be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, see the section "*Offshore Derivative Instruments*" beginning on page 12 of this Preliminary Placement Agreement.

From time to time, the Book Running Lead Manager, and its affiliates and associates may have engaged in or may in the future engage in transactions with and perform services including but not limited to investment banking, advisory, commercial banking, trading services for our Company, group companies, affiliates and the Shareholders, as well as to their respective associates and affiliates, pursuant to which fees and commissions have been paid or will be paid to the Book Running Lead Manager and its affiliates and associates.

### Lock up

Our Company will not, for a period commencing from the date hereof and ending 15 days from the date of Allotment, without the prior written consent of the Book Running Lead Manager, directly or indirectly: (a) issue, offer, lend, pledge, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or

contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any equity shares, or any securities convertible into or exercisable or exchangeable for Equity Share; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of equity shares; or (c) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Shares in any depository receipt facility; (d) publicly announce any intention to enter into any transaction described in (a) or (b) above, whether any such transaction described in (a) or (b) above is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise; provided that, the foregoing restrictions do not apply to any sale, transfer or disposition or issue of Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares) pursuant to any transaction required by law or an order of a court of law or a statutory authority.

### **Lock-up by Promoters**

Our Promoters and members of the Promoter Group agree that without the prior written consent of the Book Running Lead Manager, they shall not, announce any intention to enter into any transaction whether any such transaction which is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise, during the period commencing on the date of the Preliminary Placement Document and ending 15 days from the date of the filing of the Placement Document (both dates inclusive) ("**Lock-up Period**") directly or indirectly: (1) offer, issue, pledge, sell, encumber, contract to sell or announce the intention to sell, lend, purchase any option or contract to sell, grant or sell any option, right, contract or warrant to purchase, lend, make any short sale or otherwise transfer or dispose of any Equity Shares or any other securities of our Company substantially similar to the Equity Shares acquired or purchased during the Lock-Up Period, including, but not limited to options, warrants or other securities that are convertible into, exercisable or exchangeable for, or that represent the right to receive Equity Shares or any such substantially similar securities, whether now owned or hereinafter acquired; (2) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequences of ownership of the Equity Shares and the securities that are convertible into, exercisable or exchangeable for or any such substantially similar securities, whether now owned or hereinafter acquired; whether any such transaction described in clause (1) or (2) above is to be settled by delivery of the Equity Shares or such other securities, in cash or otherwise, (3) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares or which carry the right to subscribe for or purchase Equity Shares in any depository receipt facility, or (4) publicly announce its intention to enter into the transactions referred to in (1) to (3) above.

Our Promoters have further agreed that any Equity Shares acquired by them during the Lock-up Period, either from the open market or inter-se transfer, shall constitute Promoter Shares, and shall be subject to the restrictions contained in the Placement Agreement.

## SELLING RESTRICTIONS

The distribution of this Preliminary Placement Document and the offer, sale or delivery of the Equity Shares in this Issue is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Preliminary Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Preliminary Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

This Issue is being made only to Eligible QIBs through a QIP, in reliance upon Chapter VI of the SEBI ICDR Regulations and the Companies Act. Each purchaser of the Equity Shares in this Issue will be deemed to have made acknowledgments and agreements as described under "*Notice to Investors*" and "*Representations by Investors*" on pages 1 and 5 of this Preliminary Placement Document, respectively.

### General

No action has been taken or will be taken that would permit a public offering of the Equity Shares to occur in any jurisdiction other than India, or the possession, circulation or distribution of this Preliminary Placement Document or any other material relating to our Company or the Equity Shares in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Issue will be made only to Eligible QIBs through a QIP, in compliance with the applicable SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013 and the rules made thereunder. Each purchaser of the Equity Shares in the Issue will be deemed to have made acknowledgments and agreements as described under "*Transfer Restrictions and Purchaser Representation*" on page 140 of this Preliminary Placement Document.

### Republic of India

This Preliminary Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public. This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction.

### United States

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in reliance on Regulation S. To help ensure compliance with Regulation S, each purchaser of the Equity Shares offered and sold in "*offshore transactions*" as defined in, and reliance on Regulation S deemed to have made the representations, warranties, acknowledgements and agreements agreed as follows:

- a) the purchaser (i) is, and the person, if any, for whose account it is acquiring such Shares is, outside the United States, and (ii) is acquiring the Shares in an "offshore transaction" as defined in Regulation S;
- b) the purchaser has not been offered the Shares by means of any "directed selling efforts" as defined in Regulation S;
- c) the purchaser is aware that the Shares have not been and will not be registered under the Securities Act and are being distributed and offered outside the United States in reliance on Regulation S, and, subject to certain exceptions, may not be offered or sold within the United States; and
- d) the purchaser acknowledges that our Company, the Book Running Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.

## European Economic Area

In relation to each Member State of the European Economic Area (each a "**Relevant State**"), an offer to the public of any Equity Shares in the Issue may not be made in that Relevant State, except if the Equity Shares are offered to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation (EU) 2017/1129 (and any amendment thereto) (the "**Prospectus Regulation**"):

- a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the Book Running Lead Manager and the Syndicate Members for any such offer; or
- c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation, provided that no such offer of the Equity Shares shall require our Company or any BRLM to publish a prospectus pursuant to article 3 of the Prospectus Regulation or supplement a prospectus pursuant to article 23 of the Prospectus Regulation.

## Hong Kong

The Preliminary Placement Document has not been reviewed or approved by any regulatory authority in Hong Kong. In particular, the Preliminary Placement Document has not been, and will not be, registered as "prospectus" in Hong Kong under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32) ("CO") nor has it been authorised by the Securities and Futures Commission ("SFC") in Hong Kong pursuant to the Securities and Futures Ordinance (Cap 571) ("SFO"). Recipients are advised to exercise caution in relation to the Issue. If recipients are in any doubt about any of the contents of the Preliminary Placement Document, they should obtain independent professional advice.

No advertisement, invitation or document relating to the Equity Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO has been or will be issued, whether in Hong Kong or elsewhere.

The Preliminary Placement Document does not constitute an offer or invitation to the public in Hong Kong to acquire any Equity Shares nor an advertisement of the Equity Shares in Hong Kong. The Preliminary Placement Document must not be issued, circulated or distributed in Hong Kong other than:

- a) to "professional investors" within the meaning of the SFO and any rules made under that ordinance ("**Professional Investors**"); or
- b) in other circumstances which do not result in the Preliminary Placement Document being a prospectus as defined in the CO nor constitute an offer to the public which requires authorization by the SFC under the SFO.

Unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Equity Shares, which is directed at, or the content of which is likely to be accessed or read by, the public of Hong Kong other than with respect to the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to Professional Investors.

Any offer of the Equity Shares will be personal to the person to whom relevant offer documents are delivered, and a subscription for the Equity Shares will only be accepted from such person. No person who has received a copy of the Preliminary Placement Document may issue, circulate or distribute the Preliminary Placement Document in Hong Kong or make or give a copy of the Preliminary Placement Document to any other person.

No person allotted Equity Shares may sell, or offer to sell, such Equity Shares to the public in Hong Kong within six months following the date of issue of such Equity Shares.

## Japan

The Equity Shares offered hereby have not been and will not be registered under the Financial Instruments and

Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). The Preliminary Placement Document is not an offer of shares for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used in the Preliminary Placement Document means any person resident in Japan, including any corporation or entity organized under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

## **Singapore**

The Preliminary Placement Document has not been and will not be registered as a prospectus with the Monetary Authority of Singapore, and the Equity Shares will be offered pursuant to exemptions under the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**"). Accordingly, the Equity Shares may not be offered or sold or made the subject of an invitation for subscription or purchase nor may the Preliminary Placement Document or any other document or material in connection with the offer or sale or invitation for subscription or purchase of the Equity Shares be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,
- c) securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:
- d) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- e) where no consideration is or will be given for the transfer
- f) where the transfer is by operation of law
- g) as specified in Section 267(7) of the SFA; or
- h) As specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Notification under Sections 309B(1)(a) and 309B(1)(c) of the SFA: We have determined, and hereby notify all relevant persons (as defined in Section 309A of the SFA) that the Equity Shares are: (A) prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and (B) Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment: Notice on Recommendations on Investment Products)

## **United Kingdom**

No Equity Shares have been offered or will be offered pursuant to the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Equity Shares, except that the Equity Shares may be offered to the public in the United Kingdom at any time:

- a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of Book Running Lead Manager for any such offer; or
- c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation;

provided that no such offer of the Shares shall require our Company or any BRLM to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

The Preliminary Placement Document may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order"); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (all such persons together being referred to as "**Relevant Persons**"). The Preliminary Placement Document is directed only at relevant persons. Other persons should not act on the Preliminary Placement Document or any of its contents. The Preliminary Placement Document is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any other purpose.

## **Australia**

This Preliminary Placement Document is not a disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth) ("**Corporations Act**") and has not been lodged with the Australian Securities and Investments Commission and it does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act.

No offer will be made under this Preliminary Placement Document to investors to whom disclosure is required to be made under Chapter 6D of the Corporations Act. Each purchaser of the Equity Shares offered in the Issue in Australia shall be deemed to represent and warrant that it is either a "sophisticated investor" or a "professional investor" and that not it is not a "retail client" within the meaning of those terms in the Corporations Act.

The Equity Shares acquired in the Issue in Australia must not be offered for sale in Australia in the period of 12 months after the date of the Allotment, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under Section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act. Each purchaser of the Equity Shares offered in the Issue in Australia shall be deemed to undertake to our Company that it will not, for a period of 12 months from the date of issue of the Equity Shares, offer, transfer, assign or otherwise alienate those Equity Shares to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act.

Neither the BRLM nor any of its affiliates is the holder of Australian Financial Services Licence.

## **Bahrain**

All marketing and offering of the Equity Shares in the Issue has been made and will be made outside the Kingdom of Bahrain. This Preliminary Placement Document and the Equity Shares that shall be offered pursuant to this Preliminary Placement Document have not been registered, filed, approved or licensed by the Central Bank of Bahrain ("**CBB**"), the Bahrain Bourse, the Ministry of Industry, Commerce and Tourism ("**MOICT**") or any other relevant licensing authorities in the Kingdom of Bahrain.

The CBB, the Bahrain Bourse and the MOICT of the Kingdom of Bahrain takes no responsibility for the accuracy of the statements and information contained in this Preliminary Placement Document, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein. This Preliminary Placement Document is only intended for Accredited Investors as defined by the CBB and the Equity Shares offered by way of private placement may only be offered in minimum subscriptions of USD 100,000 (or equivalent in other currencies). No invitation to the public in the Kingdom of Bahrain to subscribe to the Equity Shares is being made and this Preliminary Placement Document



will not be issued to, passed to, or made available to the public generally in the Kingdom of Bahrain. The CBB has not reviewed, nor has it approved this Preliminary Placement Document and any related offering documents or the marketing thereof in the Kingdom of Bahrain. The CBB is not and will not be responsible for the performance of the Equity Shares.

#### **Kuwait**

This Preliminary Placement Document has not been licensed for the offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of securities in the State of Kuwait ("**Kuwait Securities Laws**"). Therefore, in accordance with the Kuwait Securities Laws, no private or public offering of the Equity Shares is or will be made in the State of Kuwait, no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

#### **Mauritius**

In accordance with The Securities Act 2005 of Mauritius, no offer of the Equity Shares offered in the Issue may be made to the public in Mauritius without, amongst other things, the prior approval of the Mauritius Financial Services Commission. This Preliminary Placement Document has not been approved or registered by the Mauritius Financial Services Commission. Accordingly, this Preliminary Placement Document does not constitute a public offering. The Preliminary Placement Document is for the exclusive use of the person to whom it has been given by the BRLM and is a private concern between the sender and the recipient.

#### **New Zealand**

This Preliminary Placement Document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMA Act"). The Equity Shares offered in the Issue may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who: (a) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act; (b) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act; (c) is large within the meaning of clause 39 of Schedule 1 of the FMC Act; (d) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or (e) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

#### **Oman**

This Preliminary Placement Document does not constitute an offer to sell or the solicitation of any offer to buy non-Omani securities in the Sultanate of Oman. This Preliminary Placement Document is strictly private and confidential and is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to invest in the Equity Shares outside of the Sultanate of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient.

This Preliminary Placement Document has not been approved by the Capital Market Authority of Oman (the "**CMA**") or any other regulatory body or authority in the Sultanate of Oman ("**Oman**"), nor has the BRLM or any placement agent acting on its behalf received authorisation, licensing or approval from the CMA or any other regulatory authority in Oman, to market, offer, sell, or distribute the Equity Shares in Oman.

No marketing, offering, selling or distribution of any Equity Shares has been or will be made from within Oman and no subscription for any Equity Shares may or will be consummated within Oman. Neither the BRLM nor any placement agent acting on its behalf is a company licensed by the CMA to provide investment advisory, brokerage, or portfolio management services in Oman, nor a bank licensed by the Central Bank of Oman to provide investment banking services in Oman. Neither the BRLM nor any placement agent acting on its behalf advise persons or entities resident or based in Oman as to the appropriateness of investing in or purchasing or

selling securities or other financial products.

The Equity Shares offered in the Issue have not and will not be listed on any stock exchange in the Sultanate of Oman. Nothing contained in this Preliminary Placement Document is intended to constitute Omani investment, legal, tax, accounting or other professional advice. This Preliminary Placement Document is for your information only, and nothing herein is intended to endorse or recommend a particular course of action. You should consult with an appropriate professional for specific advice on the basis of your situation.

#### **Qatar (excluding the Qatar Financial Centre)**

This Preliminary Placement Document does not, and is not intended to, constitute an invitation or an offer of Equity Shares in the State of Qatar and accordingly should not be construed as such. The Equity Shares offered in the Issue have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of securities in the State of Qatar.

By receiving this Preliminary Placement Document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Preliminary Placement Document nor the Equity Shares have been registered, considered, authorised or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, or any other authority or agency in the State of Qatar; (b) our Company and the BRLM is not authorised or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Preliminary Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Issue has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Preliminary Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. Our Company and the BRLM are not, by distributing this Preliminary Placement Document, advising individuals resident in the State of Qatar as to the appropriateness of purchasing Equity Shares in the Issue. Nothing contained in this Preliminary Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

#### ***Qatar Financial Centre***

This Preliminary Placement Document does not, and is not intended to, constitute an invitation or offer of Equity Shares from or within the Qatar Financial Centre ("**QFC**"), and accordingly should not be construed as such. The Preliminary Placement Document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC.

The Preliminary Placement Document is strictly private and confidential, and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Company has not been approved or licensed by or registered with any licensing authorities within the QFC.

#### **Saudi Arabia**

This Preliminary Placement Document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations as issued by the board of the Saudi Arabian Capital Market Authority ("**CMA**") pursuant to resolution number pursuant to resolution number 3-123-2017 dated December 27, 2017 as amended by resolution number 1-104-2019 dated September 30, 2019, as amended (the "**CMA Regulations**"). The CMA does not make any representation as to the accuracy or completeness of this Preliminary Placement Document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Preliminary Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorised financial adviser.

## South Africa

In South Africa, the offering of the Equity Shares in the Issue will only be made by way of private placement to:

- a) selected persons falling within one of the specified categories listed in section 96(1)(a) of the South African Companies Act of 2008, as amended (the "**South African Companies Act**"); and
- b) selected persons, acting as principal, acquiring Equity Shares for a total acquisition cost of ZAR 1,000,000 or more, as contemplated in section 96(1)(b) of the South African Companies Act, and in each case to whom the offer of the Equity Shares will specifically be addressed, and only by whom the offer will be capable of acceptance (the "**South African Qualifying Investors**"). This Preliminary Placement Document is being made available only to such South African Qualifying Investors. The information contained in this Preliminary Placement Document does not constitute, nor form part of, any offer or invitation to sell or issue, an advertisement or any solicitation of any offer or invitation to purchase or subscribe for any Equity Shares or any other securities and is not an "offer to the public" as contemplated in the South African Companies Act.

This Preliminary Placement Document does not, nor does it intend to, constitute a "registered prospectus" or an "advertisement", as contemplated by the South African Companies Act and no prospectus has been filed with the Companies and Intellectual Property Commission (the "**CIPC**") in respect of the Issue of the Equity Shares. As a result, this Preliminary Placement Document does not comply with the substance and form requirements for a prospectus set out in the South African Companies Act and the South African Companies Regulations of 2011, and has not been approved by, and/or registered with, the CIPC.

The information contained in this Preliminary Placement Document constitutes factual information as contemplated in section 1(3)(a) of the South African Financial Advisory and Intermediary Services Act of 2002, as amended (the "**FAIS Act**") and should not be construed as an express or implied recommendation, guide or proposal that any particular transaction in respect of the Equity Shares or in relation to the business or future investments of our Company is appropriate to the particular investment objectives, financial situation or needs of a prospective investor, and nothing in this Preliminary Placement Document should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. Our Company is not a financial services provider licensed as such under the FAIS Act.

## South Korea

No securities registration statement in relation to the Solicitations (as defined under Financial Investment Services and Capital Markets Act of the Republic of Korea ("**South Korea**") (the "**FISCMA**")) of the Equity Shares offered in the Issue in South Korea has been or will be filed pursuant to the FISCMA. The Solicitations shall only be made (i) to certain professionals as prescribed in the FISCMA and the enforcement decree promulgated thereunder ("**Professional Investors**") and (ii) to no more than 49 persons (excluding any Professional Investors) during the six-month period prior to the contemplated date of the allotment of the Equity Shares in the Issue.

Furthermore, the Equity Shares may not be offered, sold, transferred or delivered for reoffering or resale, directly or indirectly, in South Korea or to, or for the account or benefit of, any resident (as defined under the Foreign Exchange Transactions Act of South Korea and the decree, rules and regulations promulgated thereunder) thereof for a period of one year from the date of the issuance of the Equity Shares, except as otherwise permitted under applicable South Korean laws and regulations.

## Switzerland

The Equity Shares offered in the Issue may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("**SIX**") or on any other stock exchange or regulated trading facility in Switzerland. This Preliminary Placement Document does not constitute a prospectus within the meaning of, and has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this Preliminary Placement Document nor any other offering or marketing material relating to the Equity Shares offered in the Issue may be publicly distributed or otherwise made publicly available in Switzerland. The Equity Shares offered in the Issue shall only be offered to regulated financial intermediaries, such as banks, securities dealers, insurance

institutions and fund management companies, as well as institutional investors with professional treasury operations.

Neither this Preliminary Placement Document nor any other offering or marketing material relating to the offering of the Equity Shares in the Issue have been or will be filed with or approved by any Swiss regulatory authority.

In particular, this Preliminary Placement Document will not be filed with, and the offer of the Equity Shares offered in the Issue will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA. The offer of the Equity Shares in the Issue has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("**CISA**"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to purchasers of the Equity Shares offered in the Issue.

This Preliminary Placement Document is personal to the recipient only and is not for general circulation in Switzerland.

#### **United Arab Emirates (excluding the Dubai International Financial Centre)**

No offering, marketing, promotion, advertising or distribution (collectively, "**Promotion**") of the Preliminary Placement Document or the Equity Shares may be made in the United Arab Emirates (the "**UAE**") unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "**SCA**") and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors' Chairman Decision no. (3/R.M.) of 2017 (the "**Promotion and Introduction Regulations**"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to Qualified Investors who are not High Net Worth Individuals (as such terms are defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE.

The Promotion of the Preliminary Placement Document and the Equity Shares has not been and will not be approved by the SCA and, as such, the Preliminary Placement Document does not constitute an offer to the general public in the UAE to acquire any Equity Shares. Except where the Promotion of the Preliminary Placement Document and the Equity Shares is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE, the Promotion of the Preliminary Placement Document and the Equity Shares in the UAE is being made only to Qualified Investors who are not High Net Worth Individuals (as such terms are defined in the Promotion and Introduction Regulations).

None of the SCA, the Central Bank of the United Arab Emirates or any other regulatory authority in the UAE has reviewed or approved the contents of the Preliminary Placement Document and nor does any such entity accept any liability for the contents of the Preliminary Placement Document.

#### ***Dubai International Financial Centre***

The Equity Shares offered in the Issue are not being offered to any persons in the Dubai International Financial Centre except on that basis that an offer is: (i) an "Exempt Offer" in accordance with the Markets Rules (MKT) (the "**Markets Rules**") adopted by the Dubai Financial Services Authority (the "**DFSA**"); and (ii) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA rulebook and are not natural Persons. The Preliminary Placement Document must not be delivered to, or relied on by, any other person. The DFSA has not approved the Preliminary Placement Document nor taken steps to verify the information set out in it, and has no responsibility for it. Capitalised terms not otherwise defined in the Preliminary Placement Document have the meaning given to those terms in the Markets Rules.

The Equity Shares may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Equity Shares offered in the Issue should conduct their own due diligence on the Equity Shares. If you do not understand the contents of the Preliminary Placement Document, you should consult an authorised financial adviser.

## Malaysia

No prospectus or other offering material or document in connection with the offer and sale of the Equity Shares has been or will be registered with the Securities Commission of Malaysia ("**Commission**") for the Commission's approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Commission; (ii) a holder of a Capital Markets Services Licence; (iii) a person who acquires the Equity Shares, as principal, if the offer is on terms that the Equity Shares may only be acquired at a consideration of not less than RM250,000 (or its equivalent in foreign currencies) for each transaction; (iv) an individual whose total net personal assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual; (v) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months; (vi) an individual who, jointly with his or her spouse, has a gross annual income of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months; (vii) a corporation with total net assets exceeding RM10 million (or its equivalent in a foreign currencies) based on the last audited accounts; (viii) a partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies); (ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and (xi) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the Equity Shares is made by a holder of a Capital Markets Services Licence who carries on the business of dealing in securities. The distribution in Malaysia of this Preliminary Placement Document is subject to Malaysian laws. This Placement Document does not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Commission under the Capital Markets and Services Act 2007.

## Other Jurisdictions

The distribution of this Preliminary Placement Document and the offer and sale of the Equity Shares may be restricted by law in certain jurisdictions. Persons into whose possession this Preliminary Placement Document comes are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

## TRANSFER RESTRICTIONS AND PURCHASER REPRESENTATION

Due to the following restrictions, investors are advised to consult their legal counsel prior to purchasing Equity Shares or making any resale, pledge or transfer of the Equity Shares.

Pursuant to Chapter VI of the SEBI ICDR Regulations, any resale of Equity Shares, except on the Stock Exchange, is not permitted for a period of one year from the date of Allotment. In addition to the above, allotments made to Eligible QIBs, including VCFs and AIFs, in the Issue may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them. For more information, see "*Selling Restrictions*" on page 131 of this Preliminary Placement Document.

### United States Transfer Restrictions

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

Each purchaser of the Equity Shares offered in the Issue shall be deemed to have represented, warranted, agreed and acknowledged as follows:

- It understands that the Equity Shares offered in the Issue have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and are being offered and sold to it in reliance on Regulation S.
- It was outside the United States (within the meaning of Regulation S) at the time the offer of the Equity Shares offered in the Issue was made to it and it was outside the United States (within the meaning of Regulation S) when its buy order for the Equity Shares offered in the Issue was originated.
- It did not purchase the Equity Shares offered in the Issue as a result of any "directed selling efforts" (as defined in Regulation S).
- It is buying the Equity Shares offered in the Issue for investment purposes and not with a view to the distribution thereof. If in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares offered in the Issue, it agrees that it will not offer, sell, pledge or otherwise transfer the Equity Shares offered in the Issue except in transactions complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India.
- Where it is subscribing to the Equity Shares offered in the Issue as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and it has full power to make the representations, warranties, agreements and acknowledgements herein.
- Where it is subscribing to the Equity Shares offered in the Issue for one or more managed accounts, it represents and warrants that it was authorised in writing by each such managed account to subscribe to the Equity Shares offered in the Issue for each managed account and to make (and it hereby makes) the representations, warranties, agreements and acknowledgements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.
- It agrees to indemnify and hold our Company and the Book Running Lead Manager harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares purchased in the Issue.

It acknowledges that our Company, the Book Running Lead Manager, their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, agreements and acknowledgements.

## THE SECURITIES MARKET OF INDIA

*The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company, the Book Running Lead Manager or any of their respective affiliates or advisors*

### **The Indian Securities Market**

India has a long history of organised securities trading. In 1875, the first stock exchange was established in Mumbai. The BSE and the NSE together hold a dominant position among the stock exchanges in terms of the number of listed companies, market capitalisation and trading activity

### **Stock Exchanges Regulation**

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "**SECC Regulations**"), which regulate inter alia the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum net worth requirements for stock exchanges. The SCRA, the SCRR and the SECC Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations and guidelines concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

### **Listing and delisting of Securities**

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, the SCRA, the SCRR, the SEBI Act, and various guidelines and regulations issued by SEBI including the SEBI ICDR Regulations SEBI Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, to govern the voluntary and compulsory delisting of equity shares from the stock exchanges. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

### **Minimum Level of Public Shareholding**

All listed companies (except public sector undertakings) are required to maintain a minimum public shareholding at 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Further, where the public shareholding in a listed company falls below 25% (except public sector undertakings) at any time, such company is required to bring the public shareholding to 25% within a maximum period of 12 months from the date of such fall. Consequently, a listed company may be delisted from the stock exchanges for not complying with the above-mentioned requirement. Our Company is in compliance with this minimum public shareholding requirement.

## **Index-Based Market-Wide Circuit Breaker System**

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. The stock exchanges on a daily basis translate the circuit breaker limits based on previous day's closing level of the index. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the S&P CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise circuit breakers. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

## **BSE**

BSE is one of the stock exchanges in India on which our Equity Shares are listed. Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of SEBI, with effect from August 19, 2005, BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017. It has evolved over the years into its present status as one of the premier stock exchanges of India.

## **NSE**

The NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. Deliveries for trades executed "on- market" are exchanged through the National Securities Clearing Corporation Limited. It has evolved over the years into its present status as one of the premier stock exchanges of India. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000. NSE launched the NSE 50 Index, now known as S&P CNX NIFTY, on April 22, 1996 and the Mid-cap Index on January 1, 1996.

## **Internet-based Securities Trading and Services**

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

## **Trading Hours**

Trading on both the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.



## **Trading Procedure**

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading ("BOLT") facility in 1995. This totally automated screen-based trading in securities was put into practice nationwide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation trading platform, BOLT Plus NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("NEAT"), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

## **SEBI Listing Regulations**

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to, inter alia, continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

## **SEBI Takeover Regulations**

Disclosure and mandatory bid obligations for listed Indian companies are governed by the SEBI Takeover Regulations which provide specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the SEBI Takeover Regulations will apply to any acquisition of our Company's shares/voting rights/control. The SEBI Takeover Regulations prescribe certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provide for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition. The SEBI Takeover Regulations also provides certain general exemptions which exempt certain acquisitions from the obligation to make an open offer. The SEBI Takeover Regulations were further amended on June 22, 2020 to exempt any acquisitions by way of preferential issue from the obligation to make an open offer.

## **SEBI Insider Trading Regulations**

The SEBI Insider Trading Regulations have been notified to prohibit and penalise insider trading in India. An insider is, among other things, prohibited from dealing in the securities of a listed company when in possession of unpublished price sensitive information ("UPSI").

The SEBI Insider Trading Regulations were notified on January 15, 2015 and came into effect on May 15, 2015, which repealed the erstwhile regulations of 1992. The SEBI Insider Trading Regulations, inter alia, impose certain restrictions on the communication of information by listed companies. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities listed or proposed to be listed, to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations make it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders. There are also initial and continuing shareholding disclosure obligations under the SEBI

### Insider Trading Regulations.

The SEBI Insider Trading Regulations also provides for disclosure obligations for promoters, members of the promoter group, designated person or director in case value of trade exceed monetary threshold of ₹1 lakh over a calendar quarter, within two days of reaching such threshold. The board of directors of all listed companies are required to formulate and publish on our Company's website a code of procedure for fair disclosure of UPSI along with a code of conduct for its employees for compliances with the SEBI Insider Trading Regulations.

Further, on July 17, 2020, SEBI amended the Insider Trading Regulations to prescribe that the board of directors or head(s) of listed companies shall ensure that a structured digital database be maintained, containing the nature of unpublished price sensitive information, the names and details of persons who have shared the information and the names and details person with whom information is shared.

### **Depositories**

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation to the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

### **Derivatives (Futures and Options)**

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of SEBI.

## DESCRIPTION OF THE EQUITY SHARES

*The following is information relating to the Equity Shares including a brief summary of the Memorandum and Article of Association, the Companies Act, 2013. Bidders are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.*

### Authorised Capital

The authorised share capital of our Company is Rs. 1,500,000,000 divided into 1,500,000,000 Equity Shares of face value of ₹1 each. As on the date of this Preliminary Placement Document, the issued capital of the Company is ₹1,10,58,25,825 comprising of 1,09,20,09,210 fully paid-up Equity Shares of face value of ₹1 each and 1,38,16,615 partly paid-up Equity Shares of face value of ₹1 each.

### Dividends

Subject to applicable law, a company pays dividends upon a recommendation by its board of directors and approval by a majority of its shareholders at the AGM of shareholders. The shareholders have the right to decrease but not increase the dividend amount recommended by the board of directors. Dividends are declared on per share basis and distributed and paid to shareholders. The Companies Act provides that shares of a company of the same class must receive equal dividend treatment. These distributions and payments are required to be deposited into a separate bank account within five days of the declaration of such dividend.

The Companies Act states that any dividends that remain unpaid or unclaimed within 30 days from the date of declaration of dividends is to be transferred to a special bank account called the dividend unpaid account within seven days from the date of expiry of the period of 30 days. Any money that remains unclaimed for seven years from the date of the transfer is to be transferred by our Company to a fund, called the Investor Education and Protection Fund, created by the Government of India. The Articles authorise our Board of Directors to declare interim dividends, which may be declared at any time and shall be set off against the final dividend for the relevant period. Further, the Company shall, before declaring any dividend for each year, transfer to the reserve fund, an amount in accordance with the Articles of Association of the Company and subject to the provisions of the Companies Act.

Under the Companies Act, dividends payable can be paid only in cash to the registered shareholder at a record date fixed prior to the relevant AGM, to his order or to the order of his banker. However, any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend.

### Bonus Shares

In addition to permitting dividends to be paid out of current or retained earnings calculated under Indian GAAP, the Companies Act permits our Board of Directors, subject to the approval of our Shareholders, to distribute to our Shareholders, in the form of fully paid-up bonus shares, an amount transferred from our Company's profits or reserves in accordance with the Articles of Association, and the Companies Act.

Bonus shares can only be issued if our Company has not defaulted in payments of statutory dues of the employees, such as, contribution to provident fund, gratuity and bonus or principal or interest payments on fixed deposits or debt securities issued by it. Bonus shares may not be issued in lieu of dividend. Further, listed companies are also required to follow the SEBI ICDR Regulations for issuance of bonus shares.

### Pre-Emptive Rights and Issue of Additional Shares

Subject to the provisions of the Companies Act, our Company may increase its share capital by issuing new shares on such terms and with such rights as it may determine. According to Section 62 of the Companies Act, 2013, such new shares shall be offered to existing shareholders in proportion to the amount paid up on those shares at that date. The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. After such date our Board of Directors may dispose of the shares offered in respect

of which no acceptance has been received which shall not be disadvantageous to our Shareholders. The offer is deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any other person subject to the provisions of FEMA Rules, if applicable.

Under the provisions of Section 62(1)(c) of the Companies Act, 2013, new shares may be offered to any persons whether or not those persons include existing shareholders, either for cash or for a consideration other than cash, in the event a special resolution to that effect is passed by our Shareholders in a general meeting. In addition, our Company will also be required to comply with the SEBI ICDR Regulations.

### **General Meetings of our Shareholders**

There are two types of General Meetings of our Shareholders:

- AGM and;
- EGM.

Our Company must hold its AGM within six months after the expiry of each Financial Year provided that not more than 15 months shall elapse between the AGM and next one, unless extended by the Registrar of Companies at its request for any special reason for a period not exceeding three months. Our Board of Directors may convene an EGM when necessary and is required to call an EGM at the request of shareholder(s) holding in the aggregate not less than one tenth of our Company's paid-up share capital (carrying a right to vote in respect of the relevant matter on the date of receipt of the requisition).

Notices, either in writing or through electronic mode, convening a meeting setting out the date, day, hour, place and agenda of the meeting must be given to members at least 21 clear days prior to the date of the proposed meeting. A general meeting may be called after giving shorter notice if consent is received, in writing or electronic mode, from not less than 95.00% of the shareholders entitled to vote. Unless the Articles of Association provide for a larger number, (i) five shareholders present in person, if the number of shareholders as on the date of meeting is not more than 1,000; (ii) 15 shareholders present in person, if the number of shareholders as on the date of the meeting is more than 1,000 but up to 5,000; and (iii) 30 shareholders present in person, if the number of shareholders as on the date of meeting exceeds 5,000, shall constitute a quorum for a general meeting of our Company, whether AGM or EGM. The quorum requirements applicable to shareholder meetings under the Companies Act have to be physically complied with.

A company intending to pass a resolution relating to matters such as, but not limited to, amendment in the objects clause of the memorandum of association, the issuing of shares with different voting or dividend rights, a variation of the rights attached to a class of shares or debentures or other securities, buy-back of shares, giving loans or extending guarantees in excess of limits prescribed, is required to obtain the resolution passed by means of a postal ballot instead of transacting the business in the company's general meeting. A notice to all the shareholders shall be sent along with a draft resolution explaining the reasons therefore and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of posting the letter. Postal ballot includes voting by electronic mode.

### **Voting Rights**

A shareholder has one vote for each equity share and voting may be on a poll or through electronic means or postal ballot. Ordinary resolutions may be passed by simple majority if the votes cast in favour exceeds the votes cast against the resolution. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution. A shareholder may exercise his voting rights by proxy to be given in the form required by the Companies Act read with the rules issued thereunder. The instrument appointing a proxy is required to be lodged with our Company at least 48 hours before the time of the meeting.

Section 108 of the Companies Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 deal with the exercise of right to vote by members by electronic means.

### **Transfer and transmission of shares**

Equity Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of

the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are exempt from stamp duty. Our Company has entered into an agreement for such depository services with the NSDL and CDSL. SEBI requires that the shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange. Our Company shall keep an electronic book in which every transfer or transmission of shares will be maintained. Further, SEBI has mandated that securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019.

Pursuant to the SEBI Listing Regulations, except in case of transmission or transposition of Equity Shares, requests for effecting transfer of Equity Shares shall not be processed unless the Equity Shares are held in dematerialized form with a depository.

The Equity Shares shall be freely transferable, subject to applicable laws.

### **Buy-back**

Our Company may buy back its own Equity Shares or other specified securities subject to the provisions of the Companies Act, 2013 and any related SEBI guidelines issued in connection therewith.

### **Winding up**

Our Articles of Association provide that on winding up, the liquidator may, with the sanction of a special resolution and any other sanction required under the Companies Act, 2013, divide amongst the members, in specie or kind, the whole or any part of the assets of our Company and divide the whole or any part of the assets of the Company to its members, in specie or kind.

## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

### **The Board of Directors**

### **Vikas Lifecare Limited**

G-1, 34/1, East Punjabi Bagh

New Delhi-110026

India

**Subject:** Statement of possible special tax benefits ("the Statement") available to Vikas Lifecare Limited ("the Company" or "the Parent Company") and its shareholders prepared in accordance with the proposed qualified institutions placement of equity shares of face value of Rs. 1 each ('Equity Shares') to qualified institutional buyers of the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the ICDR Regulations") (the "Proposed Offer" or "Issue")

We hereby report that the enclosed Annexure I prepared by the Company, initiated by us for identification purpose, states the possible special tax benefits available to the Company and its shareholders, under direct and indirect taxes (together "the Tax Laws"), presently in force in India as on the signing date which are defined in Annexure I. These possible special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure I cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed Annexure I and its contents is the responsibility of the Management of the Company. We were informed that the 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 proposed offer particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" (the "Guidance Note") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of 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.

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

- i) the Company and its shareholders will continue to obtain these possible special tax benefits in future; or
- ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

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

Our views expressed herein are based on the facts and assumptions indicated to us. 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 the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not

be liable to the Company and any other person in respect of this Statement, except as per applicable law.

We hereby give consent to include this Statement in the Preliminary Placement Document, Placement Document and in any other material used in connection with the Proposed Offer, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

In the absence of any communication from us, it may be assumed that there is no change to the above information.

For **RSPH & Associates**  
Chartered Accountants  
**ICAI Firm Registration Number:** 003013N  
**Peer Review Number:** 011834

CA Tarun Kumar Batra  
Partner  
**Membership Number:** 094318  
**Place:** Delhi  
**Date:** May 17, 2022  
**UDIN:** 22094318AJCTLD9933

## Annexure I

No.	Details of Tax Law
1.	Income-tax Act, 1961 and Income-tax Rules, 1962
2.	Central Goods and Services Tax Act, 2017
3.	Integrated Goods and Services Tax Act, 2017
4.	State Goods and Services Tax Act, 2017

## Annexure I

### **ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT TAX LAW IN INDIA**

Outlined below are the Possible Special Tax Benefits available to Vikas Lifecare Limited ('the Company') and its shareholders under the Income-tax Act, 1961 ('the Act') read with Income-tax Rules, 1962 (together referred to as "Direct Tax Law") applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23.

#### **UNDER THE DIRECT TAX LAWS**

- A. Special tax benefits available to the Company  
No special tax benefits are available to the Company.
- B. Special tax benefits available to Shareholders  
No special tax benefits are available to the Shareholders of the Company.

#### **NOTES:**

- 1. The above is as per the current Direct Tax Law, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.
- 2. The above Statement of possible special tax benefits sets out the provisions of Direct Tax Law in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.
- 3. This Statement is intended only to provide general information to the investor and is neither designed or intended to be a substitute for professional tax advice.
- 4. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.



## LEGAL PROCEEDINGS

*We are involved in various legal proceedings from time to time, mostly arising in the ordinary course of business. These legal proceedings are primarily in the nature of, amongst others, civil suits, criminal proceedings, regulatory proceedings and tax disputes pending before various authorities. These legal proceedings may have been initiated by us or by customers, regulators, or other parties, and are pending at different levels of adjudication before various courts, quasi-judicial bodies, tribunals, enquiry officers and appellate tribunals.*

*As on the date of this Preliminary Placement Document, except as disclosed below, there is no outstanding legal proceeding which has been considered material in accordance with our Company's "Policy for Determining Materiality of any Event" framed in accordance with Regulation 30 of the SEBI Listing Regulations.*

*Our Company has, in accordance with the resolution passed by our Board/Committee solely for the purpose of this Issue, disclosed in this section (i) all outstanding criminal litigation and tax proceedings involving our Company; (ii) all outstanding civil litigation involving our Company which involve an amount equivalent to or above ₹7.50 million which is approximately 1% of the consolidated revenue for the year of our Company as per the audited financial statements of our Company as of and for the financial year ended March 31, 2021 ("**Materiality Threshold**") ; (iii) all outstanding actions by statutory or regulatory authorities involving any of our Company; (iv) any other outstanding litigations involving our Company where the monetary sum involved is not quantifiable or is below the Materiality Threshold, where an adverse outcome would, in the opinion of the Board, materially and adversely affect the business, operations, prospects, reputation or financial position of our Company, and (v) any litigations involving the Directors and Promoters of our Company, an adverse outcome in which shall have a material impact on our Company.*

*Further, other than as disclosed in this section, (i) there is no litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoters during the last three years immediately preceding the year of circulation of this Preliminary Placement Document and no directions have been issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (ii) there are no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956 in the last three years immediately preceding the year of circulation of this Preliminary Placement Document involving our Company, nor are there any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document involving our Company; (iii) there are no defaults in repayment of (a) undisputed statutory dues; (b) debentures and interest thereon; (c) deposits and interests thereon; and (d) any loan obtained from any bank or financial institution and interest thereon by our Company, as of the date of this Preliminary Placement Document; (iv) there are no material frauds committed against us in the last three years; (v) there are no defaults in annual filing of our Company under the Companies Act, 2013 and the rules made thereunder; (vi) there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations; or (vii) there are no reservations, qualifications or adverse remarks of auditors in the last five Fiscal Years immediately preceding the year of circulation of this Preliminary Placement Document.*

*It is clarified that for the purposes of the above, pre-litigation notices received by any of our Company, our Directors and/or our Promoters from third parties (excluding statutory / regulatory / governmental authorities or notices threatening criminal action) shall, not be considered as litigation proceedings till such time that any of our Company, our Directors and/or our Promoters, are impleaded as parties in any such litigation proceedings before any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.*

*Capitalised terms used herein shall, unless otherwise specified, have the meanings ascribed to such terms in this section.*

### **I. Litigation involving our Company**

#### **A. Litigation filed against our Company**

##### **1. Criminal proceedings**

- (i) The Directorate of Enforcement, Delhi Zonal Office, New Delhi has issued a provisional attachment order ("**Order**") bearing number 04/2020 and file number ECIR/10/DZ-1/2017 under Section 5(1) of the Prevention of Money Laundering Act, 2002 ("**PMLA**") against our Company, its then Promoter/ Director Mr. Vishal Garg and other third parties. Through the said attachment, our bank account SBI Bank, Nariana Vihar, New Delhi maintained with has been attached for an amount of ₹ 6,20,721/-.

Our Company in its reply had denied the allegations raised in the Order while contending that our Company was unaware of the discounting of the letter of credits. Our Company also contended that there is no evidence linking the attached SBI bank account of our Company under the provisional order to the alleged offence. The matter is adjudicated whereby the provisional attachment order has been confirmed. The investigation in the matter is also ongoing. Our Company is in the process of filing an appeal with the Hon'ble Appellate Tribunal, PMLA New Delhi or a writ petition with the Hon'ble High Court of Delhi.

## 2. Outstanding actions by regulatory and statutory authorities

Nil

## 3. Civil proceedings

Nil

### B. Litigation filed by our Company

#### 1. Criminal proceedings

##### (i) *Vikas Lifecare Limited vs. Unknown Individuals*

Our Company has filed a Criminal complaint ("**Complainant**") at Cyber Cell, Dwarka, Delhi for cognizable offences committed by various unknown persons under Section 384, 120B, 503, 506, 420, 468 of the IPC and Section 18, 60 and 66C of Information Technology Act 2000 for wrongfully filing complaints of our Company's involvement in insider trading by impersonating multiple persons who have denied filing any such complaints. The matter is presently pending.

#### 2. Civil proceedings

##### (i) *Vikas Lifecare Limited and others vs. M/s Astitva Capital Market Limited and others - Original Number 03/2021*

Our Company and others ("**Petitioners**") have filed an application for Interim Injunction under Order 39 CPC 1908 against M/s Astitva Capital Market Limited and others ("**Defendants**") bearing original number 03/2021 at the Court of the Civil Judge, Gautam Buddh Nagar for freezing of shares of the Petitioners. The Petitioners had transferred the shares for the purpose of opening a demat account with Defendant's Company, but the defendant had transferred those shares in account of another company's pool account. The shares were valued at about ₹ 5,35,98,000 (Rupees five crores thirty-five lacs ninety-eight thousand) as on the date of transfer (calculated based on average of High and Low Price of the share for the respective day). The matter is presently pending.

### C. Tax proceedings

(in ₹)

Particulars	No. of cases	Amount involved
Direct Tax	Not ascertainable*	1,57,18,630
Indirect Tax	1	88,40,609
<b>Total</b>	<b>Not ascertainable*</b>	<b>2,45,59,239</b>

\*since it includes the TDS defaults for the "prior years"

II. **Litigation involving our Subsidiary**

A. *Litigation filed against our Subsidiary*

1. **Criminal proceedings**

Nil

2. **Outstanding actions by regulatory and statutory authorities**

Nil

3. **Civil proceedings**

Nil

B. *Litigation filed by our Subsidiary*

1. **Criminal proceedings**

Nil

2. **Civil proceedings**

Nil

C. *Tax proceedings*

(in ₹)

Particulars	No. of cases	Amount involved
Direct Tax*	Nil	Nil
Indirect Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

III. **Litigation involving our Directors**

D. *Litigation filed against our Directors*

4. **Criminal proceedings**

Nil

5. **Outstanding actions by regulatory and statutory authorities**

Nil

6. **Civil proceedings**

Nil

E. *Litigation filed by our Directors*

3. **Criminal proceedings**

Nil

**4. Civil proceedings**

Nil

**F. Tax proceedings**

(in ₹)

Particulars	No. of cases	Amount involved
Direct Tax*	1	37,980
Indirect Tax	NIL	NIL
<b>Total</b>	<b>1</b>	<b>37,980</b>

\*since it includes the TDS defaults for the "prior years"

**IV. Litigation involving our Promoters**

**A. Litigation filed against our Promoters**

**1. Criminal proceedings**

Nil

**2. Outstanding actions by regulatory and statutory authorities**

Nil

**3. Civil proceedings**

Nil

**B. Litigation filed by our Promoters**

**1. Criminal proceedings**

Nil

**2. Civil proceedings**

**(i) Vikas Lifecare Limited and Sukriti Garg vs. M/s Astitva Capital Market Limited and others - Original Number 03/2021**

For further details, please see "**Legal Proceedings – Litigation filed by our Company – Civil Proceedings**" on page 152 of this Preliminary Placement Document.

**C. Tax proceedings**

(in ₹)

Particulars	No. of cases	Amount involved
Direct Tax*	5	21,60,272
Indirect Tax	NIL	NIL
<b>Total</b>	<b>5</b>	<b>21,60,272</b>

\*since it includes the TDS defaults for the "prior years"

**V. Inquiries, inspections, or investigations under the Companies Act initiated or conducted in the last three years**

There have been no inquiries, inspections or investigations initiated or conducted against our Company under the Companies Act in the last three years immediately preceding the year of issue of this Preliminary Placement Document, nor have there been any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this

Preliminary Placement Document involving our Company.

VI. **Details of acts of material frauds committed against our Company in the last three years, if any, and if so, the action taken by our Company**

There have been no material frauds committed against our Company in the last three years preceding the date of this Preliminary Placement Document

VII. **Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of undisputed statutory dues; debentures and interests thereon; deposits and interest thereon; and loan from any bank or financial institution and interest thereon**

As on the date of this Preliminary Placement Document, our Company has no outstanding defaults in repayment of undisputed statutory dues, dues payable to holders of any debentures and interest thereon, deposits and interest thereon and loans and interest thereon from any bank or financial institution.

VIII. **Details of defaults in annual filing of our Company under the Companies Act, 2013 and the rules made thereunder**

As on the date of this Preliminary Placement Document, our Company has not made any default in annual filings of our Company under the Companies Act, 2013 and the rules made thereunder.

IX. **Details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations**

There are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations.

X. **Reservations, qualifications, or adverse remarks of auditors in the last five Fiscals immediately preceding the year of issue of this Preliminary Placement Document and their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks**

Except as disclosed in the section, "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 65 of this Preliminary Placement Document, there are no reservations, qualifications, or adverse remarks of the Statutory Auditor in their report on audited financial statements for last five Fiscals preceding the date of this Preliminary Placement Document.

## INDEPENDENT AUDITORS

M/s. RSPH & Associates, Chartered Accountants ("**Statutory Auditors**"), are the current independent Statutory Auditors with respect to our Company as required by the Companies Act, 2013 and in accordance with the guidelines prescribed by ICAI. The Statutory Auditors were appointed pursuant to the approval of the Shareholders of our Company at the AGM held on September 20, 2021, for a term of 5 years commencing from the conclusion of the 26<sup>th</sup> AGM of our Company till the conclusion of the 31<sup>st</sup> AGM to be held in the year 2026.

The Statutory Auditors have performed a review of the Financial Statements and have issued a review report dated January 10, 2022 on the Financial Statements, which is included in this Preliminary Placement Document in "**Financial Statements**" on page 159 of this Preliminary Placement Document.

Further, M/s Goyal Nagpal & Co., Chartered Accountants, have audited the Audited Financial Statements for Fiscals 2021, 2020 and 2019, and their audit reports on those financial statements are included in this Preliminary Placement Document in "**Financial Statements**" on page 159 of this Preliminary Placement Document.

## GENERAL INFORMATION

Our Company was incorporated as "*Akshatha Management Consultants Private Limited*" on November 9, 1995 as a private limited company under the Companies Act, 1956 and was granted the certificate of incorporation by the Registrar of Companies, National Capital Territory of Delhi and Haryana at New Delhi. Subsequently, the name of our Company was changed to Akshatha Services Private Limited and a fresh certificate of incorporation consequent upon change of name was granted by the Registrar of Companies, National Capital Territory Delhi and Haryana at New Delhi on May 29, 2001. Thereafter, on December 29, 2008, vide a fresh certificate of incorporation granted by the Registrar of Companies, National Capital Territory Delhi and Haryana at New Delhi, the name of our Company was changed to Moonlite Technochem Private Limited.

Our Company was then converted into a public limited company upon the receipt of approval from the Central Government and changed its name to Moonlite Technochem Limited and a fresh certificate of incorporation consequent upon change of name was granted by the Registrar of Companies, National Capital Territory Delhi and Haryana at New Delhi on November 1, 2016. Subsequent to the conversion, our Company again changed its name to Vikas Multicorp Limited and a fresh certificate of incorporation consequent upon change of name was granted by the Registrar of Companies, National Capital Territory Delhi and Haryana at New Delhi on January 24, 2017.

Pursuant to the order of the National Company Law Tribunal, Principal Bench, New Delhi dated October 31, 2018 approving the Scheme of Arrangement, the 'Recycled and Trading Compounds Division' of group concern 'Vikas Ecotech Limited' was demerged from Vikas Ecotech Limited and acquired by our Company. Pursuant to completion of said demerger, the equity shares of our Company were listed on May 8, 2019 at the NSE and the BSE.

The name of our Company has again changed to Vikas Lifecare Limited and a fresh certificate of incorporation dated April 9, 2021 was issued under the seal of Registrar of Companies, Delhi.

Our corporate identification number is L25111DL1995PLC073719. The website of our Company is [www.vikaslifecarelimited.com](http://www.vikaslifecarelimited.com).

1. The Equity Shares are listed on BSE and NSE
2. The Issue was authorised and approved by our Board of Directors on January 10, 2022. Our Shareholders have approved the Issue by way of a special resolution through postal ballot dated February 18, 2022.
3. Our Company has received in-principle approvals in terms of Regulation 28(1) of the SEBI Listing Regulations from each of BSE and NSE on May 23, 2022 to list the Equity Shares issued pursuant to the Issue on the Stock Exchange. We will apply for final listing and trading approvals of the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges after Allotment of the Equity Shares in the Issue.
4. Copies of our Memorandum and Articles of Association will be available for inspection between 10.00 am to 5.00 pm on all working days, (except Saturdays and public holidays) during the Bid/ Issue Period at our Registered Office.
5. Except as disclosed in this Preliminary Placement Document, there has been no material adverse change in our financial or trading position since the date of Financial Statements, which has been included in this Preliminary Placement Document.
6. The Floor Price is ₹4.20 per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 176(1) of the SEBI ICDR Regulations.
7. Our Company confirms that it is in compliance with the minimum public shareholding requirements as specified in the SCRR.

8. Our Company has obtained necessary consents, approvals and authorizations as may be required in connection with the Issue.
9. Except as disclosed in this Preliminary Placement Document, there are no material litigation or arbitration proceedings against or affecting our Company, or its assets or revenues, nor is our Company aware of any pending or threatened legal or arbitration proceedings, which are or might be material in the context of this Issue or could have a material adverse effect on the position, business, operations, prospects or reputation of our Company. For further details, see "*Legal Proceedings*" on page 151 of this Preliminary Placement Document.
10. Our Company and the BRLM accept no responsibility for statements made otherwise than in this Preliminary Placement Document and anyone placing reliance on any other source of information, including our website, would be doing it at his or her own risk.
11. Details of the Company Secretary and Compliance Officer of our Company:

**Ms. Parul Rai**

Vikas Apartments, G-1, 34/1  
East Punjabi Bagh New Delhi-  
110026, India

Telephone: 011-40450110

E-mail: [cs@vikaslifecarelimited.com](mailto:cs@vikaslifecarelimited.com)



## FINANCIAL STATEMENTS

<b>FINANCIAL STATEMENTS</b>	<b>Page Numbers</b>
Limited Reviewed Unaudited Standalone Financial Results for the nine-months ended December 31, 2021	165
Limited Reviewed Unaudited Consolidated Financial Results for the nine-months ended December 31, 2021	167
Audited Standalone Financial Statements for the financial year ended March 31, 2021	169
Audited Standalone Financial Statements for the financial year ended March 31, 2020	223
Audited Standalone Financial Statements for the financial year ended March 31, 2019	280

**LIMITED REVIEW REPORT ON REVIEW OF STANDALONE FINANCIAL RESULTS OF THE COMPANY FOR THE QUARTER AND NINE MONTHS RESULTS OF VIKAS LIFECARE LIMITED (FORMERLY VIKAS MULTICORP LIMITED) FOR THE PERIOD ENDED 31<sup>th</sup> DECEMBER, 2021**

**TO**

**THE BOARD OF DIRECTORS**

**VIKAS LIFECARE LIMITED (Formerly Known as Vikas Multicorp Limited)**

We have reviewed the accompanying statement of Standalone unaudited financial results of **M/s VIKAS LIFECARE LIMITED (Formerly Known as Vikas Multicorp Limited)** ('the Company') for the quarter and **Nine Months** ended 31<sup>th</sup> December, 2021 (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 ('the Regulation') as amended, including relevant circulars issued by SEBI from time to time.

This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Standalone Financial Result 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. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Standalone Statement of unaudited financial results, prepared in accordance with applicable principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34)



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prescribed under section 133 of the Companies Act 2013 read with rules issued thereunder and other accounting principles generally accepted in India has not disclosed the information in terms of Regulation 33 of the SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For RSPH & Associates**  
**Chartered Accountants**  
**Firm Registration No: 003013N**



A handwritten signature in blue ink, appearing to read "Tarun Kumar Batra", written over the circular stamp.

**CA Tarun Kumar Batra**  
**Partner**  
**M No.: 094318**  
**UDIN: 22094318AAAAAP4392**  
**Date: -10/01/2022**  
**Place: Delhi**



**Limited Review Report on consolidated unaudited quarterly and Nine Months financial results of the Company for the quarter and Nine Months ended 31<sup>st</sup> December, 2021 (Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

TO

THE BOARD OF DIRECTORS

Vikas Lifecare Limited

(Formerly Known as Vikas Multicorp Limited )

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of M/s Vikas Lifecare Limited (Formerly Known as Vikas Multicorp Limited) ("the Parent") and its Associate (the Parent and its Associate together referred to as "the Group"), and its share of the net profit/(loss) after tax and total comprehensive income / (loss) of its associate for the quarter ended 31<sup>st</sup> December 2021 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Attention is drawn to the fact that the consolidated financial statements have been prepared wherein the consolidated figures for the corresponding quarter ending 31<sup>st</sup> December 2020, Nine months ending 31<sup>st</sup> December 2020 and year ending 31<sup>st</sup> March 2021 are taken from the standalone financial statements/ financial results as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.



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3. We conducted our review 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the Following Entities: -

Name of the Company	Relationship
M/s Advik Laboratories Limited	Associate

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the associates reviewed by the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The Statement includes the Parents share of Net Loss after Tax of Rs. 6.06 Lacs and Total Comprehensive Income of Rs. 0.02 Lacs for the quarter ending 31<sup>st</sup> December 2021 and the Parents share of Net Loss after Tax of Rs. 12.48 Lacs and Total Comprehensive Income of Rs. 0.07 Lacs for the nine months ending 31<sup>st</sup> December 2021 respectively as considered in the statement, in respect of an associate whose consolidated financial information have not been reviewed by us. These interim financial statements / financial information / financial results have been reviewed by other auditors whose reports have been furnished to us





by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matters.

**For RSPH & Associates**  
**Chartered Accountants**  
**Firm Registration No: 003013N**



**CA Tarun Kumar Batra**  
**Partner**  
**M No.: 094318**  
**UDIN: 22094318AAAAAQ8438**  
**Date: -10/01/2022**  
**Place: Delhi**

**VIKAS LIFECARE LIMITED**  
**(FORMERLY KNOWN AS VIKAS MULTICORP LIMITED)**

CIN - L25111DL1995PLC073719

REGD OFF: G-1,VIKAS HOUSE, 34/1, EAST PUNJABI BAGH, NEW DELHI -110026, PH NO: 011-40450110 EMAIL - info@vikaslifecarelimited.com

**UN AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTH ENDED 31ST DECEMBER 2021**

Sr. No.		Three Months Ended			Nine Months Ended		Rs. In Millions
		31-Dec-21	30-Sep-21	31-Dec-20	31-Dec-21	31-Dec-20	Year Ended
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Revenue from Operations</b>						
a.	Revenue from Operations	1,067.41	674.89	94.30	1,983.34	449.39	749.95
2	<b>Other Income</b>	73.70	42.77	37.57	128.77	58.20	91.71
3	<b>Total Income (1+2)</b>	<b>1 141.11</b>	<b>717.66</b>	<b>131.86</b>	<b>2 112.11</b>	<b>507.59</b>	<b>841.65</b>
4	<b>EXPENSES</b>						
a.	Cost of Materials Consumed	57.05	94.32	62.62	183.76	389.02	243.78
b.	Purchases of Stock-in-Trade	1,034.85	597.61	-	1,838.41	-	333.55
c.	Change in inventory of finished goods, work in progress and stock in trade	(42.97)	(35.46)	29.44	(97.27)	32.97	60.26
d.	Employee Benefits Expense	3.97	3.92	1.75	9.81	4.64	6.56
e.	Finance Costs	2.53	1.23	10.13	17.05	38.06	53.54
f.	Depreciation and Amortisation Expense	1.16	3.63	1.42	6.93	4.35	6.84
g.	Other Expenses	45.75	21.78	25.48	79.57	32.31	28.07
	<b>Total Expenses</b>	<b>1,102.34</b>	<b>687.03</b>	<b>130.84</b>	<b>2,038.25</b>	<b>501.33</b>	<b>732.61</b>
5	<b>Profit Before Exceptional Items and Tax (3-4)</b>	<b>38.77</b>	<b>30.63</b>	<b>1.03</b>	<b>73.86</b>	<b>6.26</b>	<b>109.04</b>
6	Exceptional Items	-	-	-	-	-	(124.04)
7	<b>Profit/ (Loss) Before Tax (5-6)</b>	<b>38.77</b>	<b>30.63</b>	<b>1.03</b>	<b>73.86</b>	<b>6.26</b>	<b>(15.00)</b>
8	<b>Tax Expense/(Benefits):</b>						
i.	Current Tax	3.64	4.84	0.37	9.60	1.68	13.75
ii.	Deferred Tax	6.32	0.16	-	6.48	-	2.92
iii.	Previous Year Income Tax	-	-	-	-	-	3.36
	<b>Total Tax Expense (i+ii+iii)</b>	<b>9.96</b>	<b>5.00</b>	<b>0.37</b>	<b>16.08</b>	<b>1.68</b>	<b>20.02</b>
9	<b>Net Profit/(Loss) from continuing operations (7-8)</b>	<b>28.81</b>	<b>25.63</b>	<b>0.66</b>	<b>57.78</b>	<b>4.58</b>	<b>(35.02)</b>
10	Profit/(loss) from discontinued operations	-	-	-	-	-	-
11	Tax expenses of discontinued operations	-	-	-	-	-	-
12	<b>Profit/(loss) from Discontinued operations (after tax) (10-11)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
13	<b>Profit/(loss) for the period (9+12)</b>	<b>28.81</b>	<b>25.63</b>	<b>0.66</b>	<b>57.78</b>	<b>4.58</b>	<b>(35.02)</b>
	<b>Other Comprehensive Income :</b>						
A.)	(i) Items that will not be reclassified to Profit and Loss	37.35	59.78	(134.40)	108.19	(211.92)	166.14
	(ii) income tax relating to items that will not be reclassified to profit or loss	(0.07)	(0.11)	(8.13)	(0.19)	-	0.46
B)	(i) Items that will be reclassified to profit and loss	-	-	-	-	-	-
	(ii) income tax relating to items that will be reclassified to profit or loss	-	-	-	-	22.04	(0.12)
14	<b>Total Other Comprehensive Income</b>	<b>37.27</b>	<b>59.67</b>	<b>(142.64)</b>	<b>108.00</b>	<b>(189.88)</b>	<b>166.49</b>
15	<b>Total comprehensive income (Comprising Profit (Loss) and Other Comprehensive Income for the period) (13+14)</b>	<b>66.08</b>	<b>85.30</b>	<b>(141.98)</b>	<b>165.77</b>	<b>(185.30)</b>	<b>131.47</b>
16	Paid up Equity Share Capital (Face Value Rs.1 each)	999.67	928.89	663.50	999.67	663.50	663.50
17	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	464.04	435.23	263.36	464.04	263.36	180.68
18	<b>Earning per Equity Share:</b>						
	Equity shares of par value Rs 1 each						
	(EPS for three and six months ended periods are not annualised)						
	Basic	0.03	0.03	(0.21)	0.06	(0.28)	(0.05)
	Diluted	0.03	0.03	(0.21)	0.06	(0.28)	(0.05)

*Financial Results for the Quarter and Nine Months ended 31st December, 2021		
Notes:		
1	The standalone financial results of the company have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act 2013 (the Act) read with the relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.	
2	The above Quarterly and Nine Months results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held in January 10, 2021. The Statutory auditors have carried out a limited review of the results for the quarter and Nine Month ended December 31, 2021.	
3	The weighted average number of equity shares outstanding during the period has been considered for calculating the basic and diluted earnings per share (not annualized) in accordance with the Ind AS.	
4	Prior period Expenses/Income pertains to previous year, accordingly previous year figures has been restated. Previous year/period figures have been regrouped/reclassified/rearranged, wherever necessary.	
5	In accordance with Ind AS, the company has recognised actuarial gains or losses on actuarial valuation of the Defined Benefit Obligation in "Other Comprehensive Income".	
6	The Company has received proceeds of recently concluded Right Issue, wherein partly paid 17,69,32,132 Equity Shares of Re. 1/- each (Re. 0.40/- partly paid up) allotted on Rights basis to the eligible shareholders, in its Bank Account. The Company is in the process of deploying these fund as per the objects of the Right Issue. These partly paid shares are listed with BSE (Scrip Code: 890160) and NSE (Symbol: VLIFEPP) both, trading commenced on Monday, December 13, 2021.	
7	The results of the Company are also available for investors at <a href="http://www.vikaslifecarelimited.com">www.vikaslifecarelimited.com</a> , <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.co">www.nseindia.co</a>	
8	The Previous year figures has been audited Reviewed by the erstwhile Statutory auditors.	
9	During the quarter under review the company has made provision of Rs 40,08,000 on investment. The company has filed case against Astitva Capital Market Private Limited which has sold 40,00,000 Equity shares of M/s Vikas Ecotech Limited held by the company without any authorisation from the company.	
10	During the quarter under review, the company has reversed Interest Income of Rs 51,34,816.70 under head other expenses, which was booked during the financial year 2020-21 on account of settlement of the litigation filed by the company against the customer before NCLT, Chandigarh.	
11	Equity Investment in associate company i.e Advik Laboratories Limited taken at cost as per Ind AS-28. Company holds 22.04 % shares in its associates company.	
12	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	0
	Received during the quarter	1
	Disposed off during the quarter	1
	Remaining unresolved at the end of the quarter	0
for Vikas LifeCare Limited		
Place: New Delhi Date: 10.01.2022		Vivek Garg Director DIN: 00255443



# VIKAS LIFECARE LIMITED

## (FORMERLY KNOWN AS VIKAS MULTICORP LIMITED)

CIN - L25111DL1995PLC073719

REGD OFF: G-1, VIKAS HOUSE, 34/1, EAST PUNJABI BAGH, NEW DELHI - 110026, PH NO: 011-40450110 EMAIL - info@vikaslifecarelimited.com

### UN AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2021

Particulars		(Rs. In Millions)					
		Three Months Ended			Nine Months Ended		Year Ended
Sr. No.		31-Dec-21	30-Sep-21	31-Dec-20	31-Dec-21	31-Dec-20	31-Mar-21
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Revenue from Operations</b>						
a.	Revenue from Operations	1,067.41	674.89	94.30	1,983.34	449.39	749.95
2	<b>Other Income</b>	73.70	42.77	37.57	128.77	58.20	91.71
3	<b>Total Income (1+2)</b>	<b>1 141.11</b>	<b>717.66</b>	<b>131.86</b>	<b>2 112.11</b>	<b>507.59</b>	<b>841.65</b>
4	<b>EXPENSES</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>
a.	Cost of Materials Consumed	57.05	94.32	62.62	183.76	389.02	243.78
b.	Purchases of Stock-in-Trade	1,034.85	597.61	-	1,838.41	-	333.55
c.	Change in inventory of finished goods, work in progress and stock in trade	(42.97)	(35.46)	29.44	(97.27)	32.97	60.26
d.	Employee Benefits Expense	3.97	3.92	1.75	9.81	4.64	6.56
e.	Finance Costs	2.53	1.23	10.13	17.05	38.06	53.54
f.	Depreciation and Amortisation Expense	1.16	3.63	1.42	6.93	4.35	6.84
g.	Other Expenses	45.75	21.78	25.48	79.57	32.31	28.07
	<b>Total Expenses</b>	<b>1,102.34</b>	<b>687.03</b>	<b>130.84</b>	<b>2,038.25</b>	<b>501.33</b>	<b>732.61</b>
5	<b>Profit Before Exceptional Items and Tax (3-4)</b>	<b>38.77</b>	<b>30.63</b>	<b>1.03</b>	<b>73.86</b>	<b>6.26</b>	<b>109.04</b>
6	Exceptional Items	-	-	-	-	-	(124.04)
7	Share of Profit / (loss) of associates	(0.61)	(0.64)	-	(1.25)	-	-
8	<b>Profit/ (Loss) Before Tax (5+6+7)</b>	<b>38.17</b>	<b>29.99</b>	<b>1.03</b>	<b>72.61</b>	<b>6.26</b>	<b>(15.00)</b>
9	<b>Tax Expense/(Benefits):</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>
i.	Current Tax	3.64	4.84	0.37	9.60	1.68	13.75
ii.	Deferred Tax	6.32	0.16	-	6.48	-	2.92
iii.	Previous Year Income Tax	-	-	-	-	-	3.36
	<b>Total Tax Expense (i+ii+iii)</b>	<b>9.96</b>	<b>5.00</b>	<b>0.37</b>	<b>16.08</b>	<b>1.68</b>	<b>20.02</b>
10	<b>Net Profit/(Loss) from continuing operations (8-9)</b>	<b>28.21</b>	<b>24.99</b>	<b>0.66</b>	<b>56.53</b>	<b>4.58</b>	<b>(35.02)</b>
11	Profit/(loss) from discontinued operations	-	-	-	-	-	-
12	Tax expenses of discontinued operations	-	-	-	-	-	-
13	Profit/(loss) from Discontinued operations (after tax) (11-12)	-	-	-	-	-	-
14	<b>Profit/(loss) for the period (10+13)</b>	<b>28.21</b>	<b>24.99</b>	<b>0.66</b>	<b>56.53</b>	<b>4.58</b>	<b>(35.02)</b>
	<b>Other Comprehensive Income :</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>
A.)	(i) Items that will not be reclassified to Profit and Loss	37.35	59.78	(134.40)	108.19	(211.92)	166.14
	(ii) income tax relating to items that will not be reclassified to profit or loss	(0.07)	(0.11)	(8.13)	(0.19)	-	0.46
B)	(i) items that will be reclassified to profit and loss account	-	-	-	-	-	-
	(ii) income tax relating to items that will be reclassified to profit or loss	-	-	-	-	22.04	(0.12)
	Share of Other Comprehensive Income of associates	0.00	0.01	-	0.01	-	-
15	<b>Total Other Comprehensive Income</b>	<b>37.28</b>	<b>59.67</b>	<b>(142.53)</b>	<b>108.00</b>	<b>(189.88)</b>	<b>166.49</b>
16	<b>Total comprehensive income (Comprising Profit (Loss) and Other Comprehensive Income for the period) (14+15)</b>	<b>65.48</b>	<b>84.66</b>	<b>(141.87)</b>	<b>164.53</b>	<b>(185.30)</b>	<b>131.47</b>
		<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>
17	Paid up Equity Share Capital (Face Value Rs.1 each)	999.67	928.89	663.50	999.67	663.49	663.50
18	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	466.82	438.61	263.36	466.82	263.36	180.68
19	<b>Earning per Equity Share:</b>						
	Equity shares of par value Rs 1 each						
	(EPS for three and six months ended periods are not annualised)						
	Basic	0.03	0.03	(0.21)	0.06	(0.28)	(0.05)
	Diluted	0.03	0.03	(0.21)	0.06	(0.28)	(0.05)

\*Financial Results for the Quarter and Nine Months ended 31st December, 2021

**Notes:**

Notes:			
1	The consolidated financial results of the company have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act 2013 (the Act) read with the relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.		
2	The above Quarterly and Nine Months results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting in their held in January 10, 2021. The Statutory auditors have carried out a limited review of the results for the quarter and Nine Month ended December 31, 2021.		
3	The weighted average number of equity shares outstanding during the period has been considered for calculating the basic and diluted earnings per share (not annualized) in accordance with the Ind AS.		
4	Prior period Expenses/Income pertains to previous year, accordingly previous year figures has been restated. Previous year/period figures have been regrouped/reclassified/rearranged, wherever necessary.		
5	In accordance with Ind AS, the company has recognised actuarial gains or losses on actuarial valuation of the Defined Benefit Obligation in "Other Comprehensive Income".		
6	The Company has received proceeds of recently concluded Right Issue, wherein partly paid 17,69,32,132 Equity Shares of Re. 1/- each (Re. 0.40/- partly paid up) allotted on Rights basis to the eligible shareholders, in its Bank Account. The Company is in the process of deploying these fund as per the objects of the Right Issue. These partly paid shares are listed with BSE (Scrip Code: 890160) and NSE (Symbol: VLIFEPP) both, trading commenced on Monday, December 13, 2021.		
7	The results of the Company are also available for investors at <a href="http://www.vikaslifecarelimited.com">www.vikaslifecarelimited.com</a> , <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a>		
8	The Previous year figures has been audited Reviewed by the erstwhile Statutory auditors.		
9	During the quarter under review the company has made provision of Rs 40,08,000 on investment,as the company has filed case against Astitva Capital Market Private Limited which has sold 40,00,000 shares of M/s Vikas Ecotech Limited held by the company without any authorisation from the company.		
10	During the quarter under review, the company has reversed Interest Income of Rs 51,34,816.70 under head other expenses,which was booked during the financial year 2020-21 on account of settlement of the litigation filed by the company against the customer before NCLT,Chandigarh.		
11	As at 31st December 2021, the company held 22.04% interest in M/s Advik Laboratories Limited, accounted for using Equity Method.		
12	The consolidated financial statements have been prepared as company has acquired 22.04% interest of M/s Advik Laboratories Limited on 12 July 2021 and the consolidated figures for the corresponding quarter ending 31st December 2020 , Nine Month ending 31st December 2020 and Year ending 31st March 2021 disclosed in the above results taken from the standalone financial results approved by the board of directors.		
13	INVESTOR COMPLAINTS		
	Pending at the beginning of the quarter	0	
	Received during the quarter	1	
	Disposed off during the quarter	1	
	Remaining unresolved at the end of the quarter	0	

for Vikas LifeCare Limited

Vivek Garg

Director

DIN: 00255443

Place: New Delhi

Date: 10.01.2022

## INDEPENDENT AUDITOR'S REPORT

To the Members of Vikas Lifecare Limited (Formerly known as Vikas Multicorp Limited)

Report on the Standalone Ind AS financial Statements

### Opinion

We have audited the accompanying standalone Ind AS financial statements of Vikas Lifecare Limited (Formerly known as Vikas Multicorp Limited) ("the Company") which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

### Basis for Opinion

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 Responsibility 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 ethical requirements that are relevant to our audit of the standalone 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 obtained by us 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 standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

(i) <b>Revenue Recognition, rebate and sales returns</b> (As described in note 2.18 and 28 of the standalone Ind AS financial statements)	
<b>Revenue Recognition</b> The timing of revenue recognition is relevant to the reported performance of the Group. We identified revenue recognition as a key audit matter because of the quantum of revenue and the time and audit effort involved in auditing the terms of the customers contract and the revenue recognized. For the year ended March 31, 2021 the Company has recognized revenue from contracts with customers amounting to ₹ 74,99,45,758-.	Our audit procedures included the following: <ul style="list-style-type: none"> <li>• We assessed the compliance of the revenue recognition accounting policy against the requirements of Indian Accounting Standard ("Ind AS").</li> <li>• Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition on selected transactions.</li> <li>• Using statistical sampling, we tested the terms of the revenue contracts against the recognition of revenue based on the underlying documentation and records.</li> <li>• We tested the accuracy of revenue recognized around year end. On a sample basis, we evaluated the appropriateness of revenue being recognized in the correct accounting period.</li> <li>• We assured the adequacy of disclosures in the financial statement against the requirements of Ind AS -115, Revenue from customer with contract.</li> </ul>

We have determined that there are no other key audit matters to communicate in our report.

## **Information Other than the Standalone Ind AS financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

## **Management Responsibility for the Standalone Ind AS financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India.

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 standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the company's financial reporting process.

## **Auditor's Responsibilities for the Audit of Standalone Ind AS financial Statement**

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the Internal Financial Control with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) In our opinion the managerial remuneration for the year ended March 31, 2021 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 55 to the Standalone Ind AS 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Goyal Nagpal & Co.**

Chartered Accountants

(Firm's Registration No. 018289C)

**CA Virender Nagpal**

Partner

(Membership No. 416004)

UDIN: 21416004AAAAGI3775

Place: New Delhi

Date: June 25, 2021

## Annexure A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements of **Vikas Lifecare Limited (Formerly known as Vikas Multicorp Limited)** for the year ended March 31, 2021, we report that:

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of 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 fixed assets 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.
- c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date except mentioned in below.

Particulars of Land and Building	No. of Assets	Gross Block as on 31 <sup>st</sup> March 2021	Net Block as on 31 <sup>st</sup> March 2021	Remarks
Land and building located at Delhi, Haryana and different place in Jammu and Kashmir	4	97,75,412	97,75,412	Lands were transferred to M/s Vikas Lifecare Limited (Formerly known as M/s Vikas Multicorp Limited) vide demerger of M/s Vikas Ecotech Limited under section 230 to 232 of the Companies Act, 2013 in terms of the approval of the National Company Law tribunal.

- i. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification
- ii. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act in the current year. Accordingly, clause (iii) (a), (b) and (c) of the Order are not applicable to the Company.
- iii. According to the information and explanation provided to us, there are no loans, guarantees and security given by the Company, to Directors, covered under the provisions of section 185 of the Act. According to the information and explanations provided to us, provisions of section 186 of the Act have been complied with respect to loans, guarantees, investment and security.
- iv. The Company has not accepted any deposits within the meaning of sections 73 to 76 of the act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the order are not applicable.
- v. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act.
- vi. According to the information and explanations given to us, in respect of records of statutory dues
  - a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, goods and services tax, value added tax, cess and any other statutory dues applicable to it with appropriate authorities.
  - b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- c) According to the records of the company , the dues outstanding of employees' state insurance, income-tax, sales-tax, duty of custom, duty of excise, goods and service tax, cess and other statutory dues ,on account of any dispute are as follows:

Name of the statute	Nature of dues	Amount (in Rs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Demand	6.04 Lakhs	A.Y. 2016-17	ITAT- Delhi
Income Tax Act, 1961	Income Tax Demand	45.03 Lakhs	A.Y. 2017-18	CIT(A)- Delhi
Income Tax Act, 1961	Income Tax Demand	29.23 Lakhs	A.Y. 2018-19	CIT(A)- Delhi

- vii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or Government.
- viii. In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were obtained. The Company has not raised any money by way of initial public offer / further public offer / debt instruments during the year.
- ix. In our opinion no material fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- x. In our opinion and according to the information and the explanations given to us and based on examination of records of the company, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xi. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- xii. In our opinion and according to the information and the explanations given to us and based on our examination of the records of the company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where ever applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiii. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xiv. According to the information and the explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him under the provisions of section 192 of Companies Act, 2013
- xv. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Goyal Nagpal & Co.**  
Chartered Accountants  
(Firm's Registration No. 018289C)

**CA Virender Nagpal**  
Partner  
(Membership No. 416004)  
UDIN: 21416004AAAAGI3775

Place: New Delhi  
Date: June 25, 2021



## Annexure - B

**to the Independent Auditor's Report of even date on the Standalone Ind AS financial statements of Vikas Lifecare Limited (Formerly known as Vikas Multicorp Limited)**

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

We have audited the internal financial controls over financial reporting of **Vikas Lifecare Limited (Formerly known as M/s Vikas Multicorp Limited)** ('the company') as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 over financial reporting of the company.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management 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.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

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

**For Goyal Nagpal & Co.**

Chartered Accountants  
(Firm's Registration No. 018289C)

**CA Virender Nagpal**

Partner  
(Membership No. 416004)  
Place: New Delhi  
UDIN: 21416004AAAAGI3775

Date: June 25, 2021

Place: New Delhi

**VIKAS LIFECARE LIMITED (FORMERLY KNOW AS VIKAS MULTICORP LIMITED)**
**CIN: U25111DL1995PLC073719**
**BALANCE SHEET AS AT MARCH, 2021**
**(Rs. In Millions)**

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	3	44.68	35.16
Investment Property	4	78.09	65.95
Financial Assets		-	-
- Investments	5	33.24	99.42
- Loans	6	8.00	18.00
- Trade Receivables	7	283.36	599.90
- Other financial assets	8	93.75	43.01
Deferred Tax Assets (Net)	9	-	2.22
Other non current assets	10	15.64	2.40
<b>Total Non Current Assets</b>		<b>556.76</b>	<b>866.05</b>
<b>Current Assets</b>			
Inventories	11	271.72	303.30
Financial assets		-	-
- Trade receivables	12	429.23	1,162.37
- Cash & cash equivalents	13	1.88	2.17
- Loans	14	0.47	0.05
- Other financial assets	15	34.54	6.95
Other current assets	16	194.93	206.04
<b>Total Current Assets</b>		<b>932.76</b>	<b>1,680.89</b>
<b>Total Assets</b>		<b>1,489.51</b>	<b>2,546.94</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	17	663.50	663.50
Other Equity	18	3.20	-128.27
<b>Total Equity</b>		<b>666.70</b>	<b>535.23</b>
<b>Liabilities</b>			
<b>Non- current liabilities</b>			
Financial Liabilities			
- Borrowings	19	162.01	54.97
Provisions	20	0.67	0.78
Deferred Tax Liabilities (Net)	9	0.81	-
Other non current liabilities	21	-	50.84
<b>Total Non Current Liabilities</b>		<b>163.49</b>	<b>106.59</b>
<b>Current Liabilities</b>			
Financial Liabilities			
- Borrowings	22	251.03	347.22
- Trade Payables	23	-	-
- Outstanding dues of micro enterprises & small enterprises		245.25	283.47
- Outstanding dues of creditors other than above		131.31	1,222.89
- Other financial liabilities	24	7.52	5.47
Provisions	25	0.07	0.12
Other current liabilities	26	11.24	39.71
Current Tax Liabilities (Net)	27	12.90	6.25
<b>Total Current Liabilities</b>		<b>659.32</b>	<b>1,905.12</b>
<b>Total Liabilities</b>		<b>822.82</b>	<b>2,011.72</b>
<b>Total Equity &amp; Liabilities</b>		<b>1,489.51</b>	<b>2,546.94</b>

The accompanying Notes 1 to 56 forms integral part of these Financial Statements

This is the Balance Sheet referred to in our report of even date

**for GOYAL NAGPAL & CO.**

Chartered Accountants

FRN: 018289C

For and on behalf of the Board of Directors

(CA Virender Nagpal)

Partner

M.No. 416000

Date: 25-06-2021

Place: Delhi

UDIN : 21416004AAAAGI3775

Vivek Garg

Managing Director

DIN : 00255443

Vijay Kumar Sharma

Whole time Director &amp; CEO

DIN : 08721833

Chandan Kumar

Chief Financial Officer

Ms. Monika Soni

Company Secretary

**VIKAS LIFECARE LIMITED (FORMERLY KNOW AS VIKAS MULTICORP LIMITED)**

**CIN: U25111DL1995PLC073719**

**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH , 2021**

**(Rs. In Millions)**

<b>Particulars</b>	<b>Note No.</b>	<b>For the Year Ended March 31, 2021</b>	<b>For the Year Ended March 31, 2020</b>
<b>Income</b>			
Revenue From Operations	28	749.95	1,561.30
Other Income	29	10.15	21.56
<b>Total Income</b>		<b>760.10</b>	<b>1,582.86</b>
<b>Expenses</b>			
Cost of Material Consumed	30	243.78	1,348.69
Purchase of Stock-In-Trade	31	333.55	212.27
Changes in inventories of Finished Goods and stock-in-trade	32	60.26	-136.39
Employee Benefit Expenses	33	6.56	9.93
Finance Costs	34	53.54	50.11
Depreciation expense	35	6.84	7.42
Other expenses	36	28.07	24.62
<b>Total Expenses</b>		<b>732.61</b>	<b>1,516.65</b>
<b>Profit before exceptional items and tax</b>		<b>27.49</b>	<b>66.21</b>
Less: Exceptional Items	37	-42.49	-41.15
<b>Profit/(Loss) Before Tax</b>		<b>-15.00</b>	<b>25.06</b>
<b>Tax expense:</b>	38		
- Current Tax		13.75	8.39
- Deferred Tax		2.92	3.31
- Prior Period Tax Adjustments		3.36	-0.61
<b>Total Tax Expense</b>		<b>20.02</b>	<b>11.09</b>
<b>Profit/(Loss) for the period</b>		<b>-35.02</b>	<b>13.97</b>
Other Comprehensive Income (OCI)			
- Items that will not be reclassified to profit or loss	39		
"(a) Fair valuation of financial instruments through OCI		166.14	-381.43
' Tax on Fair valuation of Financial Instruments		-	-
' (b) Re-measurement gains/(losses) on defined benefit plans		0.47	0.26
' Tax on Fair valuation of defined benefit plans		-0.12	-0.06
<b>Total Other Comprehensive Income for the period</b>		<b>166.49</b>	<b>-381.23</b>
<b>Total Comprehensive Income for the period</b>		<b>131.47</b>	<b>-367.26</b>
Earnings per Equity Share of Rs. 1 each	40		
<b>Basic</b>		(0.053)	0.021
<b>Diluted</b>		(0.053)	0.021

The accompanying Notes 1 to 56 forms integral part of these Financial Statements

This is the Statement of Profit & Loss referred to in our report of even date

for GOYAL NAGPAL & CO.

Chartered Accountants

FRN: 018289C

For and on behalf of the Board of Directors

(CA Virender Nagpal)

Partner

M.No. 416004

Date: 25-06-2021

Place: Delhi

UDIN : 21416004AAAAGI3775

Vivek Garg

Managing Director

DIN : 00255443

Chandan Kumar

Chief Financial Officer

Vijay Kumar Sharma

Whole time Director & CEO

DIN : 08721833

Ms. Monika Soni

Company Secretary

**VIKAS LIFECARE LIMITED (FORMERLY KNOW AS VIKAS MULTICORP LIMITED)**  
**CIN: U25111DL1995PLC073719**  
**STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED MARCH 31, 2021**

(Rs. In Millions)

Particulars	For the Year Ended March 31, 2021		For the year ended March 31, 2020	
<b>A. Cash flow from operating activities :</b>				
Net Profit/(Loss) before tax		-15.00		25.06
<u>Adjustments for :</u>				
Depreciation	6.84		7.42	
(Profit)\Loss on sale of PPE & Investment Property	-		-1.93	
Finance cost	53.54		50.11	
Share Profit from Partnership Firm	-1.93		-13.88	
Foreign Exchange difference	-1.52		5.78	
Net Loss on Sales of Investments	42.49		6.74	
Provision for Gratuity	0.25		0.25	
Rental Income	-4.30		-2.50	
Interest Income	-2.40	92.97	-8.61	43.38
<u>Operating profit / (loss) before working capital changes</u>		<b>77.97</b>		<b>68.44</b>
<u>Adjustments for Working Capital Change:</u>				
Decrease/(Increase) in Inventories	31.59		-20.96	
Decrease/(Increase) in Trade receivables	1,051.20		-329.46	
Decrease/(Increase) in Financial Assets & other assets	-23.49		-126.53	
Decrease/(Increase) in Trade payables	-1,129.79		319.62	
Decrease/(Increase) in Other financial liabilities	2.06		2.14	
Decrease/(Increase) in Other current liabilities	-79.76	-148.19	132.85	-22.33
Cash generated from operations		-70.22		46.11
Tax Paid		-6.60		-10.90
<b>Net cash flow from operating activities (A)</b>		<b>-76.82</b>		<b>35.21</b>
<b>B. Cash flow from investing activities</b>				
Acquisition of property, Plant and Equipment	-14.70		-5.01	
Stock converted into Investment in Property	-		-66.99	
Investment in Properties	-13.81		-	
Proceeds from Investment property	-		43.10	
Proceeds from Loans	10.00		-	
Proceeds from Investments	131.02		6.31	
Rent from Investment Property	4.30		2.50	
Interest received	2.40		8.61	
<b>Net cash flow from / (used in) investing activities (B)</b>	-	<b>119.21</b>	-	<b>-11.49</b>
<b>C. Cash flow from financing activities</b>				
Repayment of long-term borrowings	-96.19		-28.68	
Proceeds from Non Current Borrowings	107.04		41.79	
Finance cost	-53.54		-50.11	
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>-42.69</b>		<b>-36.99</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>-0.30</b>		<b>-13.27</b>
Cash and cash equivalents at the beginning of the year		2.17		15.45
Cash and cash equivalents at the end of the period		1.88		2.17
Components of Cash & Cash Equivalents (Refer Note No. 13)		-		-
Cash in hand		1.02		1.32
Cheques in Hand		-		0.01
Balances with Banks		0.86		0.84
<b>Total Cash and Cash Equivalents</b>		<b>1.88</b>		<b>2.17</b>

(i) The above Cash Flow Statement has been prepared under the ' Indirect Method' as set out in Indian Accounting Standard 7, "Statement of Cash flows"

(ii) Figures in Bracket indicate cash outgo.

(iii) The figures for the previous year have been regrouped in order to make them comparable with the current year figures

For GOYAL NAGPAL & CO.  
Chartered Accountants  
FRN: 018289C

(CA Virender Nagpal)  
Partner  
M.No. 416004  
Date: 25-06-2021  
Place: Delhi  
UDIN : 21416004AAAAGI3775

For and on behalf of the Board

Vivek Garg  
Managing Director  
DIN : 00255443

Vijay Kumar Sharma  
Whole time Director & CEO  
DIN : 08721833

Chandan Kumar  
Chief Financial Officer

Ms. Monika Soni  
Company Secretary

VIKAS LIFECARE LIMITED (FORMERLY KNOW AS VIKAS MULTICORP LIMITED)  
CIN: U25111DL1995PLC073719  
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

(A) Equity Share Capital

Equity shares of Rs. 1 each issued, subscribed and fully paid up

(Rs. In Millions)

Particulars	No of Equity Share	Amount
Opening balance as at April 1, 2019	663495495	663.50
Changes during the year ended	-	-
Balance as at March 31, 2020	663495495	663.50
Changes during the year ended	-	-
Balance As at March 31, 2021	663495495	663.50

(B) Other Equity

Particulars	Reserves & Surplus			Other Comprehensive Income		Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Equity Instruments through OCI	Remeasurement of defined benefit Plan	
Balance as at April 1, 2019	59.80	106.30	35.60	-	37.30	239.00
Prior Period Adjustments	-	-	-	-	-	-
Net Balance as at April 1, 2019	59.80	106.30	35.60	-	37.30	239.00
Other comprehensive income for the year, net of income tax	-	-	-	0.20	-381.40	-381.20
Profit for the year	-	-	14.00	-	-	14.00
Balance as at March 31, 2020	59.80	106.30	49.60	0.20	-344.20	-128.30
	-	-	-	-	-	-
Balance as at April 1, 2020	59.80	106.30	49.60	0.20	-344.20	-128.30
Prior Period Adjustments	-	-	-	-	-	-
Net Balance as at April 1, 2020	59.80	106.30	49.60	0.20	-344.20	-128.30
Other comprehensive income for the year, net of income tax	-	-	-	0.30	166.10	166.50
Profit/(loss) for the year	-	-	-35.00	-	-	-35.00
Balance as at March 31, 2021	59.80	106.30	14.60	0.50	-178.00	3.20

The accompanying Notes 1 to 56 forms integral part of these Financial Statements

This is the Statement of Changes in Equity referred to in our report of even date

As per our report of even date attached  
for GOYAL NAGPAL & CO.  
Chartered Accountants  
FRN: 018289C

For and on behalf of the Board of Directors

(CA Virender Nagpal)  
Partner  
M.No. 416004  
Date: 25-06-2021  
Place: Delhi  
UDIN :

Vivek Garg  
Managing Director  
DIN : 00255443

Vijay Kumar Sharma  
Whole time Director & CEO  
DIN : 08721833

Chandan Kumar  
Chief Financial Officer

Ms. Monika Soni  
Company Secretary

**COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES**

**1 Company Information**

Vikas Lifecare Limited (Formerly Known as Vikas Multicorp Limited) (the Company) is a public company domiciled in India and is incorporated under the provisions of the companies act applicable in India. Its shares are listed on recognised Bombay stock exchange and National Stock Exchange in India. The registered office of the company is located at G-1, 34/1, Vikas House, East Punjabi Bagh, New Delhi-110052. The Company is principally engaged in the business of Manufacturer and Trader of Plastic, polymer and chemicals and Plastic Products. Company has also started dealing in FMCG Segment in which includes FMCG Products, aluminum foils, processed food products.

**2 Significant accounting policies**

**2.01 Basis of compliance**

The Standalone Financial Statements comply, in all material aspects, with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

**2.02 Basis of preparation and presentation**

The Standalone Financial Statements have been prepared on the historical cost basis, except for certain Land and Building from "Property, Plant and Equipment", financial instruments and defined benefit plans which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

**2.03 Critical accounting estimates, assumptions and judgements**

The preparation of the Standalone Financial Statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the Standalone Financial Statements and the reported amounts of income and expense for the periods presented

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

**(i) Estimation of defined benefit obligation**

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**(ii) Estimation of current tax and deferred tax**

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax assets could change if management estimates of projected future taxable income or if tax regulations undergo a change.

**(iii) Useful lives of depreciable/amortizable assets**

Management reviews the estimated useful lives and residual value of PPE and Intangibles at the end of each reporting period. Factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently the future depreciation charge could be revised and may have an impact on the profit of the future years.

**(iv) Impairment of trade receivables**

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 are written off when management deems them not to be collectible. Impairment is recognised based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

**(v) Fair value measurement**

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (refer note 42).

**(vi) Evaluation of indicators for impairment of assets**

The evaluation of applicability of indicators of impairment of assets is based on assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**vii) Provisions and contingencies**

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being subject to uncertainties inherent in litigations. A provision for litigation is made when it is considered probable that a payment will be made and the amount can be reasonably estimated. Significant judgement is required when evaluating the provision including, the probability of an unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Provisions for litigations are reviewed at each accounting period and revisions made for the changes in facts and circumstances. Contingent liabilities are disclosed in the notes forming part of the Standalone Financial Statements. Contingent assets are not disclosed in the Standalone Financial Statements unless an inflow of economic benefits is probable.

**2.04 Current and non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

- Current assets includes current portion of non-current of financial assets.

All other assets are classified as non-current.

A liability is current when it is:

- Expected to be settled in normal operating cycle;
  - It is held primarily for the purpose of trading;
  - Due to be settled within twelve months after the reporting period; or
  - There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.
- Current Liabilities includes current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**2.05 Equity, reserves and dividend payment**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Retained earnings include current and prior period retained profits. All transactions with owners of the Company are recorded separately within equity.

**2.06 Property Plant & Equipment**

**i) Initial recognition and measurement**

An item of property, plant and equipments recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Items of Property, Plant and Equipment are measured at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management. When parts of an item of property, plant and equipment have different useful life, they are recognized separately. Items of spare parts, stand-by equipment and servicing equipment which meet the definition of Property, Plant and Equipment are capitalized. Property, Plant and Equipments which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital Work-In-Progress'.

**ii) Subsequent costs**

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of Property, Plant and Equipment are recognized in profit or loss as incurred.

**iii) De-recognition**

Property, Plant and Equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.



**iv) Revaluation**

Land and Building (Property, Plant and Equipment) are revalued at fair valuation . Surplus from revaluation has been transferred to Revaluation Reserve under the head of Other Equity

**v) Depreciation/amortization**

Depreciation is recognized in profit or loss on a written down value over the estimated useful life of each item of Property, Plant and Equipment.

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

Depreciation on property, plant and equipment is provided on their estimated useful life as prescribed by Schedule II of Companies Act, 2013 as follows:

- |                            |                          |
|----------------------------|--------------------------|
| 1) Buildings               | 30 years                 |
| 2) Plant & Machinery       | 15 years                 |
| 3) Furniture & Fixtures    | 10 years                 |
| 4) Vehicles                | 08 years                 |
| 5) Office Equipments       | 05 years                 |
| 6) Electrical Installation | 10 years                 |
| 7) Computer                | 03 years                 |
| 8) Leasehold Improvements  | Over the period of lease |

The residual value, useful life and methods of PPE are reviewed at each financial year end and adjusted prospectively.

**2.07 Capital work-in-progress**

The cost of self-constructed assets includes the cost of materials & direct labour, borrowing costs, any other costs directly attributable to bring the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

**2.08 Intangible assets**

**i) Initial recognition and measurement**

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have infinite useful lives, are recognized at cost less accumulated impairment losses, if any. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

**ii) Subsequent costs**

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

**iii) De-recognition**

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal.

Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

**iv) Amortization**

Amortization is made at usefull life of Intangible Assets at Stright line method

**2.09 Impairment of property, plant and equipment, other intangible assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable and impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company of assets (cash generating units). If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the statement of profit and loss.

**2.10 Investment Property**

Investment properties are measured at cost less accumulated depreciation and impairment losses, if any. Depreciation on building is provided over the estimated useful lives as specified in Schedule II to the Companies Act, 2013.

**2.11 Inventories**

Inventories are valued at the lower of cost or net realisable value. The cost of inventories is based on the first-in-first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Cost incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials: Purchase cost on first-in-first out basis
- Finished goods and work in progress: Cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs
- Inventory related to real estate division: Valued at cost incurred

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses

Raw materials, components and other supplies held for use in production of finished goods are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Obsolete, slow moving, defective inventories, shortage/ excess are identified at the time of physical verification of inventories and wherever necessary provision/ adjustment is made for such inventories.

## **2.12 Cash and Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and cash in hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of change in value.

## **2.13 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### **i) Financial assets:**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

### **a) Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

### **b) Subsequent measurement**

Financial assets are subsequently classified and measured at:

- Financial assets at amortised cost
- Financial assets at fair value through profit and loss (FVTPL)
- Financial assets at fair value through other comprehensive income (FVTOCI).

### **c) Equity Instruments:**

All investments in equity instruments in entities other than subsidiaries and joint ventures are measured at fair value. Equity instruments if held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instruments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment as the company transfers cumulative gain or loss within the equity.

Equity instruments if classified as FVTPL category are measured at fair value with all changes recognized in the profit and loss.

### **d) De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The contractual rights to receive cash flows from the asset have expired, or
- The Company has transferred its contractual rights to receive cash flows from the asset.

### **e) Impairment of Financial Asset**

Expected credit losses are recognized for all financial assets subsequent to initial recognition in Statement of Profit and loss.

For recognition of impairment loss on financial assets other than Trade receivables, the company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide impairment loss. However, If credit risk is increased significantly, lifetime ECL is used.

If, in a subsequent period, credit quality of the instrument improves to such extent that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12- Month ECL.

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

**ii) Financial liabilities**

**a) Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

**b) Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any material transaction that are any integral part of the EIR. Trade and other payables maturing within one year from the balance sheet date are carried at transaction value and the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

**c) De-recognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

**2.14 Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

**2.15 Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or Indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

**2.16 Impairment of Financial Assets**

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a company of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

## **2.17 Provisions, Contingent Liabilities and Contingent Assets**

Provision are measured at the Present value of the management's best estimate (these estimated are reviewed at each reporting date and adjusted to reflect the current best estimate) of the expenditure required to settle the present obligation at the end of reporting period. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Contingent liabilities are disclosed only when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which is 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 the obligation or estimate of the amount cannot be measured reliably.

No contingent asset is recognized but disclosed by way of notes to accounts only when its recognition is virtually certain.

## **2.18 Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Amount of sales are net of goods and service tax, sale returns , trade allowances and discounts but inclusive of excise duty.

Effective 01 April 2018, the company adopted Ind AS 115 “Revenue from Contracts with customers” using the modified retrospective method. Under the modified retrospective method, an entity applies Ind AS 115 only for contracts that are not completed on or before 31 March 2018.

To determine whether to recognize revenue, the company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

The company considers the terms of the contract and its customary business practice to determine the transaction price.

In all cases, the total transaction price is allocated amongst the various performance obligations based on their relative standalone selling price. The transaction price excludes amounts collected on behalf of third parties. The consideration promised include fixed amounts, variable amounts, or both.

Revenue is recognised either at a point in time or over time, when (or as) the company satisfies performance obligations by transferring the promised goods or services to its customers.

For each performance obligation identified the company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at point in time. If any entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time.

A receivable is recognised where the company's right to consideration is unconditional (i.e. any passage of time is required before payment if the consideration is due).

When either party to a contract has performed, an entity shall present the contract in the balance sheet as contract asset or contract liability, depending on the relationship between the entity's performance and the customer's payment.

While this represents significant new guidance, the implementation of this new guidance had no impact on the timing or amount of revenue recognised by the company in any year.

Company continues to account for export benefits on accrual basis.

Other income

All other income is recognized on accrual basis when no significant uncertainty exists on their receipt.

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest is accrued on time proportion basis, by reference to the principle outstanding at the effective interest rate

Dividends

Income from dividend on investments is accrued in the year in which it is declared, whereby the company's right to receive is established.

## **2.19 Non-current assets held for sale and discontinued operations**

Non-current assets (including disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less cost to sell

Non-current assets classified as held for sale are not depreciated or amortised from the date when they are classified as held for sale.

Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the Standalone Balance Sheet.

## **2.20 Foreign Currency Conversions/Transactions**

Foreign Currency Transactions are recorded at the exchange rates prevailing on the date of the transactions. Gains and losses arising out of subsequent fluctuations are accounted for on actual payments or realisations as the case may be. Monetary assets and liabilities denominated in foreign currency as on Balance Sheet date are translated into functional currency at the exchange rates prevailing on that date and Exchange differences arising out of such conversion are recognised in the Statement of Profit and Loss.

## **2.21 Income Taxes**

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to any business combination or to an item which is recognised directly in equity or in other comprehensive income.

### **a) Current Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### **b) Deferred Tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of 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. Unrecognized deferred tax assets are re-assessed 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 assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable company Group and the same taxation authority.

During the year, the Company decided to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from the current financial year. Accordingly, the provision for income tax and deferred tax balances have been recorded/ remeasured using the new tax rate.

### **c) Minimum Alternate Tax (MAT)**

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset.

The company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

## **2.22 Employee Benefits**

### **i) Short Term Employee Benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Company has a present, legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### **ii) Post-Employment benefits**

Employee benefit that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). Company has identified two types of post employment benefits:

#### **a) Defined contribution plans**

Defined contribution plans are those plans in which the company pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Provident Fund and Employee State Insurance are Defined Contribution Plans in which company pays a fixed contribution and will have no further obligation beyond the monthly contributions and are recognised as an expenses in Statement of Profit & Loss.

#### **b) Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Company pays Gratuity as per provisions of the Gratuity Act, 1972. The Company’s net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit to employees is discounted to determine its present value.

The calculation is performed annually by a qualified actuary using the projected unit credit method. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Any actuarial gains or losses pertaining to components of re-measurements of net defined benefit liability/(asset) are recognized in OCI in the period in which they arise.

## **2.23 Borrowing Cost**

Borrowing cost include interest calculated using the effective interest method, amortization of ancillary costs and other costs the company incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

## **2.24 Earning Per Share**

Basic Earning Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

## **2.25 Leases**

The Company has adopted Ind AS 116 effective from April 1, 2019 using modified retrospective approach. For the purpose of preparation of Standalone Financial Information, management has evaluated the impact of change in accounting policies required due to adoption of Ind AS 116 for year ended March 31, 2020. Accordingly the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a define period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether: (i) the contact involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

**VIKAS LIFECARE LIMITED (FORMERLY KNOW AS VIKAS MULTICORP LIMITED)**

**CIN: U25111DL1995PLC073719**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

As a lessee, The Company recognises a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments and lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option;

The lease liability is measured at amortised cost using the effective interest method

The Company has elected not to recognise right of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Company applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

**2.26 Statement of Cash Flows**

Statement of cash flows is prepared in accordance with the Indirect method prescribed in Ind AS-7 'Statement of cash flows.

**2.27 Segment reporting**

The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director and Chief Executive Officer (who is the Company's chief operating decision maker) in deciding how to allocate resources and in assessing performance

The accounting policies adopted for segment reporting are in conformity with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

**2.28 Dividend**

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors

**Recent Indian Accounting Standard (Ind AS) and note on COVID-19**

**2.29 Recent accounting pronouncements which are not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021

**2.30 Note on Covid-19**

The production of manufacturing operations has recovered after the initial phases of the lockdown as customers' own operations recommenced.

The Company has taken into account potential impacts of COVID-19 in the preparation of the financial Statements.

**VIKAS LIFECARE LIMITED (FORMERLY KNOW AS VIKAS MULTICORP LIMITED)**

**CIN: U25111DL1995PLC073719**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**3 Property, Plant and Equipment**

(Rs. In Millions)

Particulars	Land**	Buildings*	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipments	Total
<b>Gross Block</b>							
Balance as at April 1, 2020	9.78	6.81	26.89	0.81	13.53	0.08	57.90
Additions	-	-	2.57	-	11.65	0.48	14.70
Disposals/Transfer	-	-	-	-	-	-	-
<b>Balance as at March 31, 2021</b>	<b>9.78</b>	<b>6.81</b>	<b>29.46</b>	<b>0.81</b>	<b>25.18</b>	<b>0.56</b>	<b>72.60</b>
<b>Accumulated Depreciation :</b>							
Balance as at April 1, 2020	-	4.69	8.26	0.69	9.05	0.06	22.74
Depreciation charge during the period	-	0.11	3.73	0.00	1.98	0.04	5.86
Previous year balance adjustment	-	-0.68	-	-	-	-	-0.68
<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>4.12</b>	<b>11.98</b>	<b>0.70</b>	<b>11.03</b>	<b>0.10</b>	<b>27.92</b>
<b>Net Carrying Value</b>							
<b>Balance as at March 31, 2021</b>	<b>9.78</b>	<b>2.70</b>	<b>17.48</b>	<b>0.11</b>	<b>14.16</b>	<b>0.46</b>	<b>44.68</b>
<b>Balance as at March 31, 2020</b>	<b>9.78</b>	<b>2.13</b>	<b>18.64</b>	<b>0.12</b>	<b>4.48</b>	<b>0.02</b>	<b>35.16</b>

\* Building No. F-4, First floor , 34/1, East Punjabi Bagh, New Delhi-110026 hypothecated against cash credit limit from Union Bank of India

\*\* Land Include Property at SIIDCO ,Shamba Jammu and Kashmir, Land at Khasar No. 41/4 , Sultanpur Dabas ,Delhi-110084, which s in the name of M/s Vikas Ecotech Limited.The said land was transferred to M/s Vikas Multicorp Limited vide Demerger of M/s Vikas Ecotech Limited . Further such land is hypothecated against Cash credit Limit availed by M/s Vikas Ecotech Limited under consortim finance by M/s Punjab National Bank,State Bank of India and Bank of Baroda.



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**4 Investment Property**

(Rs. In Millions)

Particulars	Freehold Land	Buildings	Total
<b>Year Ended March 31, 2020</b>			
Gross carrying amount at the Beginning	-	46.70	46.70
Additions / Deletion	-	-46.70	-46.70
Addition on account of Conversion of Stock in Trade into Investment in Property *	46.00	21.00	67.00
<b>Gross carrying amount at the end of Reporting Period</b>	<b>46.00</b>	<b>21.00</b>	<b>67.00</b>
<b>Accumulated Depreciation :</b>			
Accumulated depreciation at the Beginning	-	4.50	4.50
Depreciation charge during the year	-	2.10	2.10
Disposals /Adjustments	-	-5.60	-5.60
Accumulated depreciation and Impairment at the end of Reproting Period	-	1.00	1.00
<b>Net Carrying amount March 31, 2020</b>	<b>46.00</b>	<b>19.90</b>	<b>65.90</b>
<b>Gross Block</b>			
Balance as at April 1, 2020	46.00	21.00	67.00
Additions	5.80	8.00	13.80
Deletion	-	-	-
<b>Balance as at March 31, 2021</b>	<b>51.80</b>	<b>29.00</b>	<b>80.80</b>
<b>Accumulated Depreciation :</b>			
Balance as at April 1, 2020	-	1.00	1.00
Depreciation charge during the period	-	1.70	1.70
	-	-	-
<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>2.70</b>	<b>2.70</b>
<b>Net Carrying Value</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Carrying amount March 31, 2021</b>	<b>51.80</b>	<b>26.30</b>	<b>78.10</b>
<b>Net Carrying amount March 31, 2020</b>	<b>46.00</b>	<b>19.90</b>	<b>65.90</b>

**Information regarding income and expenditure of Investment Property**

Particulars	As at March 31, 2021	As at March 31, 2020
Rental income derived from investment properties	43.01	24.96
Direct operating expenses (including repairs and maintenance) generating rental income	-2.68	-
Profit arising from investment properties before depreciation and indirect expenses	<b>40.33</b>	<b>24.96</b>
Depreciation	-16.63	-21.02
Profit arising from investment properties before indirect expenses	<b>23.69</b>	<b>3.94</b>

**a. Disclosures relating to fair valuation of investment property**

Fair value of the above investment property as at March 2021 is Rs 6.86 Cr. ( Previous Year March 31, 2020 is ` 5.88 crore) based on external valuation

**Fair Value Hierarchy**

The fair value of investment property has been determined by external independent property valuers, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

The fair value measurement for all of the investment property has been categorised as a level 3 fair value based on the inputs to the valuation techniques used.

**Description of valuation technique used**

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The Company obtains independent valuations of its investment property after every three years. The fair value of the investment property have been derived using the Direct Comparison Method. The direct comparison approach involves a comparison of the investment property to similar properties that have actually been sold in arms-length distance from investment property or are offered for sale in the same region. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market, and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This approach leads to a reasonable estimation of the prevailing price. Given that the comparable instances are located in close proximity to the investment property; these instances have been assessed for their locational comparative advantages and disadvantages while arriving at the indicative price assessment for investment property

b. **Premises given on lease:**

The Company has given investment property ( land and building) on operating lease for 3 years and is renewable for further as per mutually agreeable terms.

5	Investments	Nominal Value per share	Number of shares		Amount	
			As at March 31, 2020	As at 31-Mar-2021	As at 31-Mar-2020	As at 31-Mar-2021
	<b>Investments stated at Fair Value through Other Comprehensive Income</b>					
	<b>Investment in Equity Instruments (Quoted)*</b>					
	-Vikas Ecotech Limited	1	36.91	20.27	40.60	33.24
	<b>Investments stated at Cost</b>					
	<b>Investments in Partnership Firm</b>					
	-Ravi Crop Science				58.81	60.74
	Less: Amount transferred to Other Non Current Financial Assets due to Dissolution of Partnership Firm				-	-60.74
					-	-
	<b>Total Non-current Investments</b>				<b>99.41</b>	<b>33.24</b>

\* Investments includes 40,00,000 equity shares of M/s Vikas Ecotech Limited fraudulently transferred by Astitva capital market private limited to M/s Argent finvest private limited. Company has filed complaint against M/s Astitva capital Market Private Limited vide CNR No. UPGB000000032021 Dated 15.01.2021. The above matter status is pending before court

*	Particulars		
	Quoted Investment Carried at amortized Cost	-	-
	Quoted Investment Carried at Fair Value through Comprehensive Income	40.61	33.24
	Unquoted Investment Carried at carrying value	58.81	-
	Aggregate amount of impairment in value of investments	-275.01	-

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**6 Loans**

(Rs. In Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Security Deposit</b>		
Unsecured, Considered good		
- ONGC Petro Additions Limited	8.00	18.00
<b>Total</b>	<b>8.00</b>	<b>18.00</b>

**7 Trade Receivables**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Unsecured, Considered good</b>		
- from related parties	-	-
- from others	283.36	599.90
<b>Credit Impaired</b>		
- from others	31.48	27.22
	-	-
Less: Allowance for expected credit loss	-31.48	-27.22
<b>Total</b>	<b>283.36</b>	<b>599.90</b>

(i) The Company has appropriate levels of control procedures for new customers which ensures the potential customer's credit quality. Credit limits

(ii) Trade receivables have been offered as security against the working capital facilities provided by the bank.

**(iii) Allowances for expected credit loss**

	As at March 31, 2021	31st March, 2020
Balance at the beginning of the year	27.22	18.91
Add : Provision during the period	4.26	8.32
Balance at the end of period	<b>31.48</b>	27.22

**8 Other financial assets**

Particulars	As at March 31, 2021	31st March, 2020
Fixed Deposits with banks*	33.01	43.01
<b>Other Receivables</b>		
Ravi Crop Science	60.74	-
<b>Total</b>	<b>93.75</b>	<b>43.01</b>

\* Bank Deposits held as margin money with more than maturity of Twelve Months.

**9 Deferred tax assets/Liabilities (Net)**

(Amount in Rs.)

Particulars	As at March 31, 2021	31st March, 2020
<b>Tax effect of items constituting deferred tax asset</b>		
Accelerated depreciation	-1.83	2.22
Provision for doubtful debts and advances	1.07	-
Remeasurement of Defined benefit plan	0.06	0.06
<b>Total (a)</b>	<b>-0.69</b>	<b>2.29</b>
<b>Tax effect of items constituting deferred tax liability</b>		
Ind AS Adjustments	-0.12	-0.06
<b>Total (b)</b>	<b>-0.12</b>	<b>-0.06</b>
<b>Tax Credits</b>		
MAT Credit Entitlement	-	-
<b>Total (c)</b>	<b>-</b>	<b>-</b>
<b>Total Assets/ (Liability) (a)+(b)+(c )</b>	<b>-0.81</b>	<b>2.22</b>

**Reconciliation of Deferred Tax (Net)**

Particulars	As at March 31, 2021	31st March, 2020
Opening Balance	2.22	5.59
Tax (income)/expense during the year recognised in profit or loss	-2.92	-3.31
Tax (income)/expense during the year recognised in OCI	-0.12	-0.06
MAT Credit Entitlement	-	-
<b>Closing balance of deferred Tax</b>	<b>-0.81</b>	<b>2.22</b>

**10 Other non current assets**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Capital Advances</b>		
Unsecured, considered good	15.36	1.90
Doubtful *	3.78	-
	-	-
Less: Allowance for expected credit loss	-3.78	-
	15.36	1.90
<b>Statutory Receivables</b>		
- Unsecured Considered good	-	-
	0.28	0.50
<b>Total</b>	<b>15.64</b>	<b>2.40</b>

\* During the year company has made capital advance of Rs 1,51,00,000 /- which is doubtful to the extent of 25% due to expiration of agreement and non compliance of terms and conditions mentioned therein.

**11 Inventories**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Inventories* (Valued at lower of cost or net realisable value on FIFO basis except Real Estate Division valued at cost)</b>		
Raw Materials	107.07	78.40
<b>Finished Goods</b>		
Real Estate Division	17.06	17.77
Manufacturing Division	4.14	3.69
	-	-
Packing Material	-	0.24
Stock in Trade -Traded Goods	143.45	203.19
<b>Total</b>	<b>271.72</b>	<b>303.30</b>

\* Inventories (excludes Real estate division) have been offered as security against the working capital facilities provided by the bank

**12 Trade Receivables**

(Amount in Rs.)

Particulars	As at March 31, 2021	31st March, 2020
<b>Unsecured, Considered good</b>		
- from others	429.23	1,162.37
	-	-
<b>Total</b>	<b>429.23</b>	<b>1,162.37</b>

\* Trade receivables have been offered as security against the working capital facilities provided by the bank.

**13 Cash and Cash Equivalents**

Particulars	As at March 31, 2021	31st March, 2020
Balances with banks		
- Current Accounts	0.86	0.84
Cash on hand	1.02	1.32
Cheques in hand	-	0.01
<b>Total</b>	<b>1.88</b>	<b>2.17</b>

**\* Non cash transactions**

The Company has not entered into any non cash investing and financing activities

**14 Loans**

(Amount in Rs.)

Particulars	As at March 31, 2021	31st March, 2020
<b>Security Deposits</b>		
Unsecured, Considered good	0.20	0.05
<b>Advances to Employees</b>	-	-
Unsecured, Considered good	0.27	-
<b>Total</b>	<b>0.47</b>	<b>0.05</b>

**15 Other Financial Assets**

Particulars	As at March 31, 2021	31st March, 2020
<b>Interest Receivable</b>	4.41	5.79
<b>Other Receivables</b>	-	-
Unsecured, considered good	-	-
Inter Corporate Deposit	5.38	-
Others	24.74	1.17
<b>Total</b>	<b>34.54</b>	<b>6.95</b>

**16 Other Current Assets**

Particulars	As at March 31, 2021	31st March, 2020
<b>Advance to Suppliers</b>		-
Advances to other than related parties	189.09	196.17
	-	-
Prepaid Expenses	0.85	1.05
<b>Statutory Receivables</b>	-	-
Unsecured, considered good	4.98	8.82
	-	-
<b>Total</b>	<b>194.93</b>	<b>206.04</b>

## 17 Share Capital

(Rs. In Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Authorised Share Capital</b> 67,00,00,000 shares (March 31, 2020 67,00,00,000) Equity Shares of ₹ 1/- each	670.00	670.00
<b>Issued Share Capital:</b> 66,34,95,495 shares (March 31, 2020 66,34,95,495) Equity Shares of ₹ 1/- each	663.50	663.50
<b>Subscribed and fully paid up:</b> 66,34,95,495 shares (March 31, 2020 66,34,95,495) Equity Shares of ₹ 1/- each	663.50	663.50
	<b>663.50</b>	<b>663.50</b>

## (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

(Rs. In Millions)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Numbers of shares	Amount	Numbers of shares	Amount
Balance at the beginning of the period	66,34,95,495	663.50	66,34,95,495	663.50
Change in equity share capital during the period	-	-	-	-
Balance at the end of reporting period	66,34,95,495	663.50	66,34,95,495	663.50

## (ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Vinod Kumar Garg	41,720	0.01%	6,79,41,720	10.24%
Vikas Garg	11,27,34,851	16.99%	15,93,76,309	24.02%
Seema Garg	7,307	0.00%	6,95,12,175	10.48%
Best Agrolife Limited	-	-	3,83,21,019	5.78%

## (iii) Terms / rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 1 per share. Every member holding equity shares therein shall have voting rights in proportion to his shares of the paid up equity share capital. The Company declares and pay dividend in Indian rupees.

In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**18 Other Equity**

(Rs. In Millions)

Particulars	As at 31st March 2021	As at 31st March 2020
(a) <b>Reserve and Surplus</b>		
(i) Capital Reserve	59.80	59.80
(ii) Security Premium	106.30	106.30
(iii) Retained Earnings	14.60	49.60
	-	-
(b) <b>Other comprehensive income</b>	-177.50	-344.00
	-	-
<b>Total other equity</b>	<b>3.20</b>	<b>-128.30</b>

**a) Reserve and Surplus**

**i) Capital Reserve**

Particulars	As at 31st March 2021
As at April 1, 2019	59.80
Increase/(decrease) during the year	-
At March 31, 2020	59.80
Increase/(decrease) during the year	-
As at March 31, 2021	59.80

**ii) Securities Premium**

Particulars	As at 31st March 2021
As at April 1, 2019	106.30
Increase/(decrease) during the year	-
At March 31, 2020	106.30
Increase/(decrease) during the year	-
As at March 31, 2021	106.30

**iii) Retained earnings**

Particulars	As at 31st March 2021
As at April 1, 2019	35.60
Add: Profit for the year	14.00
As At March 31, 2020	49.60
Add: Profit/(Loss) for the year	-35.00
As at March 31, 2021	14.60

**(b) Other Comprehensive Income**

Particulars	As at 31st March 2021
As at April 01, 2019	37.30
Changes in fair value of equity instruments at FVTOCI (net of tax)	-381.40
Remeasurement of Defined benefit plans (net of tax)	0.20
As at March 31, 2020	-344.00
Changes in fair value of equity instruments at FVTOCI (net of tax)	166.10
Remeasurement of Defined benefit plans (net of tax)	0.30
As at March 31, 2021	-177.50

**Capital Reserve**

The Company recognizes profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve

**Securities Premium Reserve**

Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium Reserves."

**Retained Earnings**

Retained Earnings are created from the profit / loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

**Other comprehensive income**

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.



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**19 Borrowings**

**Financial Liabilities**

(Rs. In Millions)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Borrowings-Term loans - Secured*</b>		
a. From Non banking Financial institutions	34.70	34.50
b. From Bank	5.80	-
<b>Borrowings- Unsecured</b>	-	-
a. Loans from Related Parties	-	-
- From Directors	109.30	8.90
b. Inter Corporate Deposits	12.20	11.60
	-	-
<b>Total</b>	<b>162.00</b>	<b>55.00</b>

\* The company has opted Moratorium facility which is announced by RBI due to COVID-19 pandemic With respect to payment of Instalments due in between March to August 2020.

**Disclosure of repayment terms**

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Term Loans</b>		
<b>Secured</b>		
<b>Loans against vehicles</b>		
1. Axis Bank Ltd	2.70	-
1. ICICI Bank Ltd	5.00	-
<b>Loan against Properties</b>	-	-
1. Tata Capital Housing Finance Limited	37.30	37.10

**Secured loan from Banks**

- Axis Bank Secured against Includes hypothecation against car. The loan is repayable in 36 equal monthly installment of Rs. 1,05,372/- each. The remaining maturity period is 30 Months from Balance sheet Date.

- ICICI Bank Secured against Includes hypothecation against car. The loan is repayable in 60 equal monthly installment of Rs.1,01,338 /- each. The remaining maturity period is 60 Months for Balance sheet Date.

**Secured loan from Non banking Financial institutions**

- Tata Capital Housing Finance Limited Secured against hypothecation of two Properties at Goregaon, Maharashtra. The loan is repayable in 120 equal monthly installment of Rs. 5,40,148/- each. The Period of Maturity from the balance sheet date is Ninety Six month.

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**20 Provisions**

(Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for Gratuity	0.70	0.80
	-	-
<b>Total</b>	<b>0.70</b>	<b>0.80</b>

**21 Other non current liabilities**

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Contract Liabilities</b>		
Advance received from Customers	-	50.80
<b>Total</b>	<b>-</b>	<b>50.80</b>

**22 Borrowings**

**Financial Liabilities**

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Borrowings (Secured)</b>		
From Banks	251.00	347.20
	-	-
<b>Total</b>	<b>251.00</b>	<b>347.20</b>

**Disclosure of repayment terms**

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Secured (From Banks)</b>		
<b>Working Capital Loans</b>		
Bank overdrafts and Cash Credit Facilities		
1. Union Bank of India-406305040130147	103.90	-
2. State Bank of India-37744645791	53.10	-
3. Punjab National Bank-1529008700080844	75.60	-
4. Punjab National Bank-FITL-152900CF00000130	1.80	107.70
5. Union Bank of India-FITL	-	139.10
6. Union Bank of India-CELC	6.70	100.40
7. Union Bank of India UGECL	10.00	-

**Secured loan from banks (Overdraft and Cash Credit)**

1 Secured from Bank Includes Working Capital loan from Union Bank of India-406305040130147 which is hypothecated against Inventories, Fixed Deposits, Book Debts and Various immovable assets owned by directors and its relatives. The loan is carrying at the interest Rate of 10.30 % p.a

2 Secured from Bank Includes Cash Credit Limit from State Bank of India-37744645791 hypothecation of stock and book receivables belonging of ONGC Petro Additions Limited. The loan is disbursed @ 8.90 %

3 Secured from Bank Includes Cash Credit Limit from Punjab National Bank-1529008700080844 hypothecation against book receivables, ILC, FLC of Vikas multicorp Limited and Corporate Gurantee in the form of immovable property owned by M/s Stepping Stone Constructions Private Limited. Further the Loan from Punjab national Bank is under Multiple Banking arrangement with Union Bank of India. The loan is carrying at the rate of Interest 11.95 % P.a

4 Funded Interest Term Loan (FITL) from the Punjab National Bank-152900CF00000130 is repayable in Three monthly Installments. The remaining Maturity of Such loan is 2.5 month from the Balance sheet Date. The Interest chargeable between the moratorium period was converted to FITL and repayable in three equal monthly Installments starting from January 2021 and ending on March 2021

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5 Funded Interest Term Loan (FITL) from the Union Bank of India-406306350000008 is repayable in Six monthly Installments. The remaining Maturity of Such loan is 2.5 month from the Balance sheet Date. The Interest chargeable between the moratorium period was converted to FITL and repayable in Six equal monthly Installments starting from December 2020 and ending on March 2021.

6 Secured from Bank Includes Credit Emergency Credit Line (CELC) from Union Bank of India- 406306390000266 ,which is hypothecated against Inventories, Fixed Deposits, Book Debts and Various immovable assets owned by directors and its relatives. The loan is carrying at the interest Rate of 8.00 % P.a.

7 Secured from Bank Includes Union Guaranteed Emergency Credit Line from Union Bank of India-406306990000033 which is repayable in 12 equal Monthly Installments after moratorium of one Year from the date of disbursement. Total remaining period after the balance Sheet date is 12 Month. The loan is carrying at the interest Rate of 7.50 % P.a.

**23 Trade Payables**

(Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total outstanding dues of micro & small enterprises	245.30	283.50
Total outstanding dues of creditors other than micro, & small enterprises	131.30	1,222.90
<b>Total</b>	<b>376.60</b>	<b>1,506.40</b>

- i) All Trade payables are non-interest bearing
- ii) According to information available with the Management, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), the Company has amounts due to Micro, Small and Medium Enterprises under the said Note No. 55.
- iii) The MSME Creditors includes related party of M/s Vikas Ecotech Limited

**24 Other Financial Liabilities**

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Security Deposit Received*</b>		
Unsecured, Considered good	3.00	2.10
<b>Current Maturity of long term debt**</b>	-	-
1. Axis Bank Limited	1.10	-
2. ICICI Bank Limited	0.80	-
3. Tata Capital Housing Finance Limited	2.60	3.30
<b>Total</b>	<b>7.50</b>	<b>5.50</b>

\* Security Deposit received against against rented Premises

\*\* Repayment terms and conditions are same as mentioned in note no. 22

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**25 Provisions**

(Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for Gratuity	0.10	0.10
	-	-
	-	-
<b>Total</b>	<b>0.10</b>	<b>0.10</b>

**26 Other Current Liabilities**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Statutory dues	1.10	1.00
<b>Contract Liabilities</b>	-	-
Advance from customers	8.70	37.10
<b>Other Payables</b>	-	-
Salary & Wages payable	0.50	0.80
Expenses payable	0.90	0.70
<b>Total</b>	<b>11.20</b>	<b>39.70</b>

**27 Current Tax Liabilities (Net)**

Particulars	As at 31st March, 2021	31st March, 2020
Income Tax Payables	13.70	8.40
<b>Total (a)</b>	<b>13.70</b>	<b>8.40</b>
<b>Tax payable/Refundable</b>		
Earlier Provision	6.30	-
TDS Receivable and Payment	-7.10	-2.10
<b>Total (b)</b>	<b>-0.80</b>	<b>-2.10</b>
<b>Total (a) + (b)</b>	<b>12.90</b>	<b>6.30</b>

## 28 Revenue from operations

(Rs. In Millions)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Sale of Products</b>	712.00	1,530.30
<b>Other Operating Revenues</b>	-	-
Commission and Others	38.00	31.00
	-	-
<b>Total</b>	<b>749.90</b>	<b>1,561.30</b>

## a. Reconciliation of sales of products

Particulars	March 31, 2021	March 31, 2020
Revenue from Contract with Customers	712.00	1,536.40
<b>Add/ (Less): Adjustments for made to contract price on account of :</b>	-	-
-Discounts/rebate/incentives	-	-
-Sales Return	-	-6.20
<b>Sale of Products</b>	<b>712.00</b>	<b>1,530.30</b>

## 29 Other income

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Interest Income earned from Financial assets at amortised cost</b>		
'- On Bank Deposits	1.70	8.60
'- On Loan and Advance	0.70	-
<b>Other income</b>	-	-
Export Incentive	-	0.40
Foreign Exchange gain	1.50	-5.80
Profit on sale of Investment Properties	-	1.90
Rental Income	4.30	2.50
Share in Profit from Partnership Firm (1st April 2020 to 30th Jun, 2020)*	1.90	13.90
<b>Total</b>	<b>10.20</b>	<b>21.60</b>

\* From 30th June, 2020 onwards partnership dissolved

## 30 Cost of Material Consumed

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Opening Stock of Raw Material	78.40	137.40
Add : Purchases of Raw Material	269.80	1,285.50
Add: Operating Expenses	2.60	4.20
Less: Closing Stocks of Raw Material	107.10	78.40
<b>Total</b>	<b>243.80</b>	<b>1,348.70</b>

## 31 Purchase of Stock in Trade

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Purchases of Traded goods	329.50	203.80
Other Operating Expenses	4.00	8.40
<b>Total</b>	<b>333.60</b>	<b>212.30</b>

a. Reconciliation of Purchase Price is as follows

(Amount in Rs.)

Particulars	Year Ended March 31, 2021	March 31, 2020
Contracted Price	373.90	310.30
<b>Add/ (Less): Adjustments for :</b>	-	-
-Discounts	-43.50	-47.70
- Purchase Return	-	-7.30
<b>Purchase of Products</b>	<b>330.40</b>	<b>255.30</b>

32 Changes in inventories of finished goods and stock-in-trade

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b><u>Inventories at the beginning of the year:</u></b>		
Finished Goods	3.70	-
Stock in trade	203.40	69.50
Finished goods of Real Estate Division	17.80	19.10
<b>Total (a)</b>	<b>224.90</b>	<b>88.50</b>
<b><u>Inventories at the end of the period :</u></b>		
Finished Goods	4.10	3.70
Stock in trade	143.40	203.40
Finished goods of Real Estate Division	17.10	17.80
<b>Total (b)</b>	<b>164.60</b>	<b>224.90</b>
<b>Net Decrease (a-b)</b>	<b>60.30</b>	<b>-136.40</b>

33 Employee benefit expense

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Salaries and Wages	6.00	9.40
Contributions to provident and other funds	-	0.20
Gratuity	0.20	0.20
Staff welfare expenses	0.30	0.10
<b>Total</b>	<b>6.60</b>	<b>9.90</b>

34 Finance costs

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Interest expenses</b>		
Interest on Term Loans	14.00	18.70
Interest on Working Capital Loans	24.80	19.40
Net interest on defined benefit plans	0.10	0.10
	-	-
<b>Other Borrowing Costs</b>		
Bank and other financial charges	14.70	10.60
<b>Total</b>	<b>53.50</b>	<b>50.10</b>

35 Depreciation and amortisation expense

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Depreciation on Property, Plant & Equipment	5.20	5.30
Depreciation on Investment Property	1.70	2.10
<b>Total</b>	<b>6.80</b>	<b>7.40</b>

**36 Other Expenses**

(Amount in Rs.)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Power and Fuel Expenses	0.70	0.70
Rent	1.30	1.30
Repairs & Maintenance	0.10	0.10
Insurance	0.70	0.60
Communication expenses	-	-
Travelling and Conveyance	0.40	0.30
Printing and Stationery	0.10	-
Freight and Forwarding	2.50	4.00
Rates, Fees and Taxes	1.80	0.80
Security Expenses	0.60	0.70
Postage & Courier	-	0.10
Advertisement & Publicity Expenses	0.10	0.50
Legal and Professional Charges	7.90	4.50
Donation Expenses	0.10	0.10
Payments to Auditors	0.80	0.80
Allowances for expected credit loss	4.30	8.30
Allowances for expected credit loss on capital advances	3.80	-
Other	2.80	2.00
<b>Total</b>	<b>28.10</b>	<b>24.60</b>

**37 Exceptional items**

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Balances written Off	-81.60	24.10
Loss on sales of Investments	124.00	6.70
Stock at Godown loss by fire	-	10.30
<b>Total</b>	<b>42.50</b>	<b>41.20</b>

**38 Tax Expenses**

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Income Tax</b>		
Current Tax on profits for the year	13.70	8.40
Reversal pertaining to prior years	3.40	-0.60
<b>Total Current Tax Expenses</b>	<b>17.10</b>	<b>7.80</b>
<b>Deferred Tax</b>		
(Decrease) / increase in deferred tax liabilities	2.90	3.30
<b>Total Deferred Tax expenses/(benefits)</b>	<b>2.90</b>	<b>3.30</b>
<b>Total</b>	<b>20.00</b>	<b>11.10</b>

Reconciliation of Tax expense and the accounting profit multiplied by India's Tax Rate for the year ended March 31, 2021

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Profit/(Loss) before Income Tax Expenses	-15.00	25.10
Enacted Tax Rated in India	-	-
Computed Expected Income Tax Expenses	-3.80	6.30
Effect of Expenses Disallowed	33.20	3.90
Effect of provision for doubtful debts	2.00	2.10
Deduction	-18.50	-6.20
Tax Impact on Income from House Property	0.80	0.40
Effect of Prior Period tax	3.40	-0.60
Others	-	1.90
<b>Total income tax expense recognised for the year</b>	<b>17.10</b>	<b>7.80</b>

**39 Components of Other Comprehensive Income (OCI)**

(Amount in Rs.)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
The Disaggregation of changes to OCI by each type of reserve in equity is :	166.10	-381.40
Re-measurement gains (losses) on defined benefit plans	0.50	0.30
Deferred Tax (Charge)/Reversal	-0.10	-0.10
<b>Total</b>	<b>166.50</b>	<b>-381.20</b>

**40 Earnings per share**

(Amount in Rs.)

Particulars	Year Ended March 31, 2021	As at March 31, 2020
Profit/(Loss) attributable to equity share holders	-35.00	14.00
Weighted number of equity shares outstanding during the year (Number in lakhs)	663.50	663.50
Par value per share ( in ₹ )	1.00	1.00
EPS :		
Basic ( in ₹ )	-0.05	0.02
Diluted ( in ₹ )	-0.05	0.02

The company does not have any potential equity shares and thus, weighted average number of shares for computation of basic EPS and diluted EPS remains same.

**41 Details of CSR expenditure as per Section 135 of Companies Act, 2013:**

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
NIL	NA	NA

**42 Payments to the Auditors comprises**

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
For Statutory Audit	0.40	0.40
For Tax Audit	0.30	0.30
For Others	0.10	0.10
<b>Total</b>	<b>0.80</b>	<b>0.80</b>



**43 Defined Benefit Obligation**

(Rs. In Millions)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Gratuity	0.10	0.70	0.10	0.80
	-	-	-	-
<b>Total</b>	<b>0.10</b>	<b>0.70</b>	<b>0.10</b>	<b>0.80</b>

**A Disclosure of gratuity**

(i) Amount recognised in the statement of profit and loss is as under:

Particulars	As at March 31, 2021	Year Ended March 31, 2020
Current service cost	0.20	0.20
Net interest cost (income)	0.10	0.10
<b>Net impact on profit (before tax)</b>	<b>0.20</b>	<b>0.20</b>
Actuarial loss/(gain) recognised during the year	-0.50	-0.30
<b>Amount recognised in total comprehensive income</b>	<b>-0.20</b>	<b>-</b>

(ii) Change in the present value of obligation:

Particulars	As at March 31, 2021	Year Ended March 31, 2020
<b>Present value of defined benefit obligation as at the beginning of the year</b>	<b>0.90</b>	<b>0.90</b>
Current service cost	0.20	0.20
Interest cost	0.10	0.10
Benefits paid	-	-
Actuarial loss/(gain)	-0.50	-0.30
Past Service Cost	-	-
<b>Present value of defined benefit obligation as at the end of the period</b>	<b>0.70</b>	<b>0.90</b>

(iii) Reconciliation of present value of defined benefit obligation and the fair value of assets:

Particulars	As at March 31, 2021	Year Ended March 31, 2020
Present value of funded obligation as at the end of the year	0.90	0.90
Fair value of plan assets as at the end of the period funded status	-0.20	-
<b>Unfunded/funded net liability recognized in balance sheet</b>	<b>0.70</b>	<b>0.90</b>

(iv) **Breakup of actuarial (gain)/loss:**

Particulars	As at March 31, 2021	Year Ended March 31, 2020
Actuarial (gain)/loss from change in demographic assumption	-	-
Actuarial (gain)/loss from change in financial assumption	-	-
Actuarial (gain)/loss from experience adjustment	-0.50	-0.30
<b>Total actuarial (gain)/loss</b>	<b>-0.50</b>	<b>-0.30</b>

(v) **Actuarial assumptions**

Particulars	As at March 31, 2021	Year Ended March 31, 2020
Discount rate	6.20%	0.07
Rate of increase in compensation levels	7.00%	0.07
Withdrawal Rates	15% p.a. at all age	15% p.a. at all age
Retirement age	75 yrs.	75 yrs.

**Notes:**

- 1) The discount rate is based on the prevailing market yield of Indian Government bonds as at the balance sheet date for the estimated terms of
- 2) The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

(vi) **Sensitivity analysis for gratuity liability**

Particulars	As at March 31, 2021	Year Ended March 31, 2020
<b>Impact of change in discount rate</b>		
Present value of obligation at the end of the year		
- Decrease due to increase of .5 %	0.80	0.90
- Increase due to decrease of .5 %	0.70	0.90
<b>Impact of change in salary increase</b>	-	-
Present value of obligation at the end of the year	-	-
- Increase due to increase of .5 %	0.70	0.90
- Decrease due to decrease of .5 %	0.80	0.90
<b>Impact of withdrawal rate</b>	-	-
-Withdrawal rate * 110 %	0.80	0.90
-Withdrawal rate * 90 %	0.70	0.90

The above sensitivity analysis is based on a change an assumption while holding all other assumptions constant. In practice, this is unlikely to occur  
The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to previous year

(vii) **Maturity profile of defined benefit obligation**

Particulars	As at March 31, 2021	Year Ended March 31, 2020
Within next 12 months	0.10	0.10
Between 1-5 years	0.30	0.40
Beyond 5 years	0.90	0.40

**B Defined Contribution Plan**

Particulars	As at March 31, 2021	Year Ended March 31, 2020
Contribution to Provident and other funds	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

#### 44 Related Party Disclosure

- (i) The related parties as per terms of Ind AS-24, " related Party Disclosure" , ( specified under section 133 of the Companies Act , 2013, read with rule 7 of (Accounts) Rule , 2015) and Section 188 of Companies Act, 2013 are disclosed below :-

Related Parties with whom transactions have taken place during the year :

**(i) Key Management Personnel/Directors**

Mr. Vivek Garg (Managing Director)

Mr. Vikas Garg (Director)

Mr. Pankaj Kumar Gupta (Independent Director)

Ms. Meena (Independent Director)

Ms. Richa Sharma (Director)

Mr. Vijay Kumar Sharma (Director)

Mr. Gaurav Agrawal (Company Secretary) (resigend on 03.08.2020)

Ms. Ujjwal Verma (Company Secretary) (appointed on 07.09.2020)

Ms. Ujjwal Verma (Company Secretary) (Resigned on 29.04.2021)

Mr. Chandan Kumar (Chief Financial Officer, CFO)

Ms. Rashika Gupta (Company Secretary ) (Appointed on 26.03.2021)

**(ii) Enterprises over which key management personnel and their relatives have significant influence:**

M/s Vikas Ecotech Limited (Common Director )

M/s Ravi Crop Science (Partern in Firm) (dissolution on 30.06.2020)

M/s Steeping Stone Construction Private Limited

**(iii) Key Management Personnel's and Director's relative**

Ms. Seema Garg (Relatives of KMP)

Mr. Vishal Jai Kumar Garg (Relatives of KMP)

**(iv) Terms and Conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**(v). Revenues from transactions with a single customer exceeded 10% of the Company's sales in current as well as previous year**

Particulars	As at March 31, 2021	As at March 31, 2020
A J Impex	136.40	310.50
Bhardwaj Enterprises	188.70	335.60
Vishal Pipes Limited	110.20	-

( Amount In Rs.)

(ii) Transaction with Related parties

(Rs. In Millions)

Particulars	Directors		Enterprises in which Directors' relative are Interested		Key Management Personnel		Key Management Personnel's and Director's relative	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
<b>A) Transaction</b>								
<b>Director's Remuneration &amp; Perquisites</b>								
Meena Bansal	0.10	-	-	-	-	-	-	-
Richa Sharma	0.10	-	-	-	-	-	-	-
Viay Kumar Sharma	1.70	1.10	-	-	-	-	-	-
Pankaj Kuma Gupta	0.10	-	-	-	-	-	-	-
<b>Remuneration to Key Management Personnel</b>	-	-	-	-	-	-	-	-
Chandan Kumar	-	-	-	-	0.90	0.90	-	-
Gaurav Aggarwal	-	-	-	-	0.10	0.20	-	-
Ms. Ujjwal Verma	-	-	-	-	0.10	-	-	-
<b>Rent to Director's relative</b>	-	-	-	-	-	-	-	-
Seema Garg	-	-	-	-	-	-	0.30	0.30
Vivek Garg	0.30	0.30	-	-	-	-	-	-
<b>Purchase of Traded Goods</b>	-	-	-	-	-	-	-	-
M/s Vikas Ecotech Limited	-	-	224.10	283.50	-	-	-	-
	-	-	-	-	-	-	-	-
<b>Sales of Traded Goods</b>	-	-	-	-	-	-	-	-
M/s Vikas Ecotech Limited	-	-	4.30	14.40	-	-	-	-
<b>Professional Fee</b>	-	-	-	-	-	-	-	-
M/s Jha Gunjan & Associates	-	-	-	-	-	-	0.10	-
Vishal Jai Kumar Garg	-	-	-	-	-	-	1.20	1.20
<b>Loan Received</b>	-	-	-	-	-	-	-	-
Vikas Garg	-	-	-	-	113.60	11.50	-	-
<b>Loan Repaid</b>	-	-	-	-	-	-	-	-
Vikas Garg	-	-	-	-	13.20	37.30	-	-
<b>Profit from Partnership Firm</b>	-	-	-	-	-	-	-	-
M/s Ravi Crop Science	-	-	1.90	13.90	-	-	-	-

Transaction with Related parties Cont...

Particulars	Directors		Enterprises in which Directors' relative are Interested		Key Management Personnel		Key Management Personnel's and Director's relative	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
<b>(B) Balance outstanding as at the end of the year</b>								
<b><u>Unsecured loan</u></b>								
Vikas Garg	109.30	8.90	-	-	-	-	-	-
<b><u>Payable for Remuneration</u></b>	-	-	-	-	-	-	-	-
Chandan Kumar	-	-	-	-	0.10	0.10	-	-
Vijay Kumar Sharma	-	-	-	-	0.10	0.10	-	-
Ms. Ujjwal Verma	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
<b><u>Payables</u></b>	-	-	-	-	-	-	-	-
M/s Vikas Ecotech Limited	-	-	245.30	283.50	-	-	-	-
	-	-	-	-	-	-	-	-
<b><u>Receivables</u></b>	-	-	-	-	-	-	-	-
M/s Ravi Crop Science	-	-	60.70	-	-	-	-	-
Seema Garg	-	-	-	-	-	-	0.20	-
	-	-	-	-	-	-	-	-
<b><u>Payable for Rent</u></b>	-	-	-	-	-	-	-	-
Seema Garg	-	-	-	-	-	-	-	0.20
Vivek Garg	0.50	0.30	-	-	-	-	-	-
<b><u>Capital Balance</u></b>	-	-	-	-	-	-	-	-
Ravi Crop Science	-	-	-	58.80	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-

Stepping stone constrution private limited has been given corporate guarantee and its immovable property situtated at G-22, Ground floor in the building known as Shree Ghantakarna Mall in the village shaher  
 \* Kotda, Taluka Maningar, Ahemdabad-380002 as security by way of equitable mortgage in favour of Punjab National Bank to secure credit facilities aggregating to Rs. 28 crore being availed by Vikas Multicorp limited.

**45 Information on Segment Reporting pursuant to Ind AS 108 - Operating Segments****Operating segments:**

Real estate Division

Trading Division -Polymers

Trading Division -Cashew nuts

Manufacturing Division- Polymers

**Identification of segments:**

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss of the segment and is measured consistently with profit or loss in these financial statements. Operating segments have been identified on the basis of the nature of products.

**Segment revenue and results**

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

**Segment assets and liabilities:**

Assets used by the operating segments mainly consist of property, plant and equipment, trade receivables, cash and cash equivalents and inventories. Segment liabilities include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets/liabilities.

The measurement principles of segments are consistent with those used in preparation of these financial statements. There are no inter-segment transfers

(Rs. In Millions)

Particulars	For the period ended March 31, 2021	For the period ended March 31, 2020
Domestic	7,099	15,286
Export	21	17
<b>Total</b>	<b>7,120</b>	<b>15,303</b>

**1. Revenue by nature of products**

Particulars	For the period ended March 31, 2021	For the period ended March 31, 2020
(a) Real estate Division	-	20
(b) Trading Division -Polymers	3,957	15,283
(c) Trading Division -Cashew nuts	863	-
(d) Manufacturing Division- Polymers	2,300	-
<b>Total</b>	<b>7,120</b>	<b>15,303</b>

**2. Segment Results before tax and interest**

Particulars	For the period ended March 31, 2021	For the period ended March 31, 2020
(a) Real estate Division	-	12
(b) Trading Division -Polymers	1,091	1,355
(c) Trading Division -Cashew nuts	129	-
(d) Manufacturing Division- Polymers	(97)	-
<b>Sub Total</b>	<b>1,124</b>	<b>1,367</b>
Less: Finance Cost	535	501
Add: Other Income	102	216
Less: Expenses	840	831
<b>Profit before tax</b>	<b>(150)</b>	<b>251</b>
Less: Tax expenses	<b>200</b>	<b>111</b>
<b>Net profit for the year</b>	<b>(350)</b>	<b>140</b>

**3. Capital Employed**

1,07,97,29,217 93,74,09,374

**4. Segment Assets and Liabilities**

Particulars	For the period ended March 31, 2021	For the period ended March 31, 2020
<b>Assets</b>		
Real estate Division	171	178
Manufacturing Division- Polymers	1,246	970
Unallocated	13,479	24,321
<b>Liabilities</b>		
Real estate Division	-	-
Unallocated	14,895	25,469

Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

**46 Fair value disclosures**

**i) Fair values hierarchy**

All assets and liabilities for which fair value is measured or disclosed in the Standalone Financial Statements are categorised within the fair value hierarchy, described 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 maximise 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 is not based on observable market data, the instrument is included in level 3.

**Financial assets and liabilities measured at fair value - recurring fair value measurements**

<b>(Rs. In Millions)</b>				
<b>As at March 31, 2021</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets at fair value</b>				
Investments measured at fair value through other comprehensive Income	33.24	-	-	33.24
Investments measured at fair value through profit and loss	-	-	-	-
<b>Total</b>	<b>33.24</b>	<b>-</b>	<b>-</b>	<b>33.24</b>

<b>As at March 31, 2020</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets at fair value</b>				
Investments measured at fair value through other comprehensive Income	40.61	-	-	40.61
Investments measured at fair value through profit and loss	-	-	-	-
<b>Total</b>	<b>40.61</b>	<b>-</b>	<b>-</b>	<b>40.61</b>

**There have been no transfers between levels during the period.**

**Valuation process and technique used to determine fair value**

The following methods and assumptions were used to estimate the fair values of financial instruments:

- (i) The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- (ii) The fair values of the equity investment which are quoted, are derived from quoted market prices in active markets. The Investments measured at fair value and falling under fair value hierarchy Level 3 are valued on the basis of valuation reports provided by external valuers with the exception of certain investments, where cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fairvalues within that range.
- (iii) The fair value of non-current borrowings carrying floating-rate of interest is not impacted due to interest rate changes, and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company (since the date of inception of the loans).

(ii) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

(Rs. In Millions)

Particulars	As at March 31, 2021			
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>				
Loans	8.47	8.47	18.05	18.05
Trade receivables	712.59	712.59	1,762.27	1,762.27
Cash & cash equivalents	1.88	1.88	2.17	2.17
Other financial assets	128.29	128.29	49.96	49.96
<b>Total financial assets</b>	<b>851.23</b>	<b>851.23</b>	<b>1,832.46</b>	<b>1,832.46</b>
<b>Financial liabilities</b>				
Borrowings	413.03	413.03	402.18	402.18
Trade Payables	376.57	376.57	1,506.36	1,506.36
Other Financial Liabilities	7.52	7.52	5.47	5.47
<b>Total financial liabilities</b>	<b>797.12</b>	<b>797.12</b>	<b>1,914.01</b>	<b>1,914.01</b>

The management assessed that cash and cash equivalents, other bank balances, trade receivables, trade payables, short term borrowings and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair value

All long term borrowing facilities availed by the Company are variable rate facilities which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

#### 47 Financial Instruments

i) Financial instruments by category

The following table presents the carrying amounts of each category of financial assets and liabilities as at March 31 2021.

(Rs. In Millions)

Particulars	As at March 31, 2021			As at March 31, 2020		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
<b>Financial assets</b>						
Investments	-	33.24	-	-	40.61	-
Other financial assets	-	-	128.29	-	-	49.96
Trade receivables	-	-	712.59	-	-	1,762.27
Cash and cash equivalents	-	-	1.88	-	-	2.17
Loan	-	-	8.47	-	-	18.05
<b>Total</b>	<b>-</b>	<b>33.24</b>	<b>851.23</b>	<b>-</b>	<b>40.61</b>	<b>1,832.46</b>
<b>Financial liabilities</b>						
Borrowings	-	-	413.03	-	-	402.18
Trade payables	-	-	376.57	-	-	1,506.36
Other financial liabilities	-	-	7.52	-	-	5.47
<b>Total</b>	<b>-</b>	<b>-</b>	<b>797.12</b>	<b>-</b>	<b>-</b>	<b>1,914.01</b>

ii) 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.

Risk	Exposure arising from	Measurement
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis



**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 amortised cost, and
- deposits with banks

**a) Credit risk management**

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 characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(a) Low credit risk                      (b) Moderate credit risk                      (c) High credit risk

**Assets under credit risk –**

<b>Credit rating</b>	<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
A: Low	Investments	33.24	99.42
	Other financial assets	128.29	49.96
	Cash and cash equivalents	1.88	2.17
	Trade receivables	429.23	1,162.37
		-	-
B: Moderate Credit Risk		-	-
C: High Risk	Trade receivables	283.36	599.90

**VIKAS LIFECARE LIMITED (FORMERLY KNOW AS VIKAS MULTICORP LIMITED)****CIN: U25111DL1995PLC073719***Financial instruments and cash deposits*

Credit risk from balances/investments with banks and financial institutions is managed in accordance with the Company's treasury risk management policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. The limits are assigned based on corpus of investable surplus and corpus of the investment avenue. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments

*Trade receivables and other financial assets*

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

*Expected credit loss for trade receivables:*

The Company based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss.

Loan & Other financial assets measured at amortised cost includes security deposits, fixed deposits loan to related parties and others. 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.

**(i) Provision for Expected Credit losses**

<b>As at March 31, 2021</b>	<b>Estimated gross carrying amount at default</b>	<b>Expected credit losses</b>	<b>Carrying amount net of impairment provision</b>
Cash and cash equivalents	1.88	-	1.88
Investment	33.24	-	33.24
Loans	8.47	-	8.47
Trade receivables	744.07	31.48	712.59
Other financial assets	128.29	-	128.29

<b>As at March 31, 2020</b>	<b>Estimated gross carrying amount at default</b>	<b>Expected credit losses</b>	<b>Carrying amount net of impairment provision</b>
Cash and cash equivalents	2.17	-	2.17
Investment	99.42	-	99.42
Loans	18.05	-	18.05
Trade receivables	1,789.50	27.22	1,762.27
Other financial assets	49.96	-	49.96

**B) Liquidity risk**

Liquidity risk is the risk that the Company may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral obligations. The Company requires funds both for short term operational needs as well as for long term investment programs mainly in growth projects. The Company closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

**a) Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

<b>Floating rate</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
- Expiring within one year (cash credit and other facilities- fixed rate)	251.03	347.22
- Expiring beyond one year (bank loans )	57.27	50.85
<b>Total</b>	<b>308.30</b>	<b>398.06</b>

**b) Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity. Company's based on their contractual maturities for all non-derivative financial liabilities.

The below table analyses the Company's non-derivative financial liabilities as at the reporting date, into relevant maturity groupings based on the remaining period (as at that date) to the contractual maturity date. The amounts disclosed in the below table are the contractual undiscounted cash flows.

<b>As at March 31, 2021</b>	<b>Less than 1 year</b>	<b>1-3 year</b>	<b>3-5 year</b>	<b>More than 5 years</b>	<b>Total</b>
Borrowings	251.03	2.74	54.53	-	<b>308.30</b>
Trade payable	376.57	-	-	-	<b>376.57</b>
Other financial liabilities	-	2.99	-	-	<b>2.99</b>
<b>Total</b>	<b>627.59</b>	<b>5.73</b>	<b>54.53</b>	<b>-</b>	<b>687.86</b>

<b>As at March 31, 2020</b>	<b>Less than 1 year</b>	<b>1-3 year</b>	<b>3-5 year</b>	<b>More than 5 years</b>	<b>Total</b>
Borrowings	347.22	-	48.71	-	<b>395.93</b>
Trade payable	1,506.36	-	-	-	<b>1,506.36</b>
Other financial liabilities	-	2.14	-	-	<b>-</b>
<b>Total</b>	<b>1,853.57</b>	<b>2.14</b>	<b>48.71</b>	<b>-</b>	<b>1,902.28</b>

Impact of Covid 19 pandemic- Based on recent trends observed, profitability, cash generation, cash surpluses held and borrowing lines available, the Company does not envisage any material liquidity risks. Future outlook will depend on how the pandemic develops and the resultant impact on businesses.

**C) Market Risk****a) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The Company's exposure to the risk of changes in market rates relates primarily to the Company's non-current debt obligations with floating interest rates.

As the Company does not have exposure to any floating-interest bearing assets, or any significant long-term fixed-interest bearing assets, its interest income and related cash inflows are not affected by changes in market interest rates

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
Variable rate borrowing	251.03	347.22
Fixed rate borrowing	572.74	572.74
<b>Total borrowings</b>	<b>3,083.01</b>	<b>3,083.01</b>
<b>Amount disclosed under other current financial liabilities</b>	<b>-</b>	<b>-</b>
<b>Amount disclosed under borrowings</b>	<b>3,083.01</b>	<b>3,083.01</b>

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
--------------------	-----------------------------	-----------------------------

<b>Interest sensitivity*</b>		
Interest rates – decrease by 100 bps*	-3.08	-3.96
Interest rates – increase by 100 bps*	3.08	3.96

\* Holding all other variables constant

#### b) Foreign Currency Risk

Foreign exchange risk arises on future commercial transactions and on all recognised monetary assets and liabilities, which are denominated in a currency other than the functional currency of the Company. The Company's management has set a policy wherein exposure is identified, a benchmark is set and monitored closely, and accordingly suitable hedges are undertaken. The policy also includes mandatory initial hedging requirements for exposure above a threshold.

The Company's foreign currency exposure arises mainly from foreign exchange imports and exports primarily with respect to USD. As at the end of the reporting period, the carrying amounts of the Company's foreign currency denominated monetary assets and liabilities in respect of the primary foreign currency i.e. USD and derivative to hedge the exposure, are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
<b>USD exposure</b>		
Assets	25.93	18.99
Liabilities	8.21	65.76
<b>Net Exposure</b>	<b>17.73</b>	<b>-46.77</b>

#### Foreign currency sensitivity analysis

The following table demonstrate the sensitivity to a reasonable possible change in USD exchange rate, with all other variables held constant. The impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities and derivatives is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
If INR had strengthened) against USD by 5% Decrease in profit for the year	0.89	-2.34
If INR had weakened against USD by 5% increase in profit for the year	-0.89	2.34

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, the Company's Management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

#### c) Competition and Price Risk

The Company faces competition from competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

#### d) Equity price risk management

The Company's exposure to equity price risk arises from investment held by the Company and classified as FVTOCI. In general, these investments are strategic investments and are not held for trading purposes. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis

### 48 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio optimum. The Company includes within net debt, interest bearing term loans and working capital borrowings.

#### (a) Debt equity ratio

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Net debt</b>	<b>308.30</b>	<b>395.93</b>
Total equity	666.70	535.23
Net debt to equity ratio	0.46	0.74

### 49 Assets pledged as security

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Current</b>		
Inventories	271.72	303.30

Trade Receivables	712.59	1,762.27
<b>Total current assets pledged as security</b>	<b>984.30</b>	<b>2,065.57</b>
<b>Non-current</b>	-	-
Property, Plant and Equipments	-	-
Investment Property	-	-
Investments	-	-
<b>Total non-currents assets pledged as security</b>	<b>-</b>	<b>-</b>
<b>Total assets pledged as security</b>	<b>984.30</b>	<b>2,065.57</b>

**50 Disclosure pursuant to section 186(4) of The Companies Act, 2013**

(a) Details of Investments made are given under Note no. 5

(b) Details of loan are given below:

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Best Agrolife Limited</b>	5.00	-

**1 Revenue related disclosures**

The company has adopted Ind AS 115 "revenue from contracts with customers" from April 01, 2018 (modified retrospective approach)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Revenue from contracts with customers</b>		
<b>(i) Sale of products*</b>		
(a) Sale of products	711.97	1,530.27
(b) Sale of services	-	-
<b>(ii) Other operating income</b>	37.97	31.03
<b>Total revenue covered under Ind AS 115</b>	<b>749.95</b>	<b>1,561.30</b>

**A Contract balances**

The following table provides information about receivables and contract liabilities from contract with customers:

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Contract liabilities</b>		
Advance received from customers	8.74	87.97
<b>Total contract liabilities</b>	<b>8.74</b>	<b>87.97</b>
<b>Receivables</b>	-	-
Trade receivables	712.59	1,762.27
<b>Total receivables</b>	<b>712.59</b>	<b>1,762.27</b>

Receivable is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's

- B** The Company has applied Ind AS 115 prospectively from April 01, 2018 and the adoption of this standard did not have a material impact on the financial statements of the Company.



**52 Lease**

(Rs. In Millions)

The Company's leasing arrangements are in respect of operating leases for premises (office/factory). These range between 5 months - 15 years and usually renewable on mutually agreed terms.

The schedule of future minimum lease rental payments in respect of non-cancellable operating leases is set out below:

Particulars	As at March 31, 2021	As at March 31, 2020
Payable not later than 1 year	0.60	0.60
Payable later than 1 year but not later than 5 years	-	-
Payable later than 5 years	-	-

Amount Recognised in Statement of Profit and Loss

Particulars	As at March 31, 2021	As at March 31, 2020
Expenses relating to Short-term Lease	1.35	1.10

Adoption of Ind AS-116 Leases

The Company has adopted Ind AS 116, effective from April 1, 2019 and applied the standard to its leases retrospectively. The cumulative effect of initially applying the standard was recognised on April 1, 2019 as an adjustment to the retained earnings. All lease liabilities are short term and payable not more than 1 year and all lease liability recognised in profit and loss account.

**53 Expected Credit Loss**

Movement in each class of provision made during the financial year are as under:

Allowances for Expected Credit Loss	Amount
<b>As at April 1, 2019</b>	<b>18.90</b>
Additional Provision during the year	8.30
Amount used during the period	-
<b>As at March 31, 2020</b>	<b>27.20</b>
Additional Provision during the year	4.30
Amount used during the period	-
<b>As at March 31, 2021</b>	<b>31.50</b>

**54 Contingent liabilities and Commitments (to the extent not provided for)**

**Contingent liabilities**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Claims against the company not acknowledged as debts</b>		
1. Direct Tax laws*	7.90	5.10
2. Custom Duty**	12.50	8.80
3. Bank Guarantees issued by the bank on behalf of the company***	30.00	27.00
4. Facility availed by Sister concern on the property in the possession of the company****	45.90	45.90

\* Income Tax dispute for the A.Y. 2016-17 amounting to Rs. 604220/- pending at ITAT, Delhi Authority and Pending dispute for the A.Y. 2017-18 to Rs. 4503140/- at CIT(A), Delhi and Income Tax Dispute for the A.Y. 2018-19 amounting to Rs. 29,23,280/- as per order dated 19.01.2021

\*\* The Company is contingently liabilities on export obligation dues

\*\*\* Above figures are stated without considering margin money given by the company, for margin money details please refer Note No. 8

\*\*\*\* Land Include Property at SIIDCO ,Shamba Jammu and Kashmir, Land at Khasar No. 41/4 , Sultanpur Dabas ,Delhi-110084, which s in the name of M/s Vikas Ecotech Limited.The said land was transferred to M/s Vikas Multicorp Limited vide Demerger of M/s Vikas Ecotech Limited . Further such land is hypothecated against Cahs credit Limit availed by M/s Vikas Ecotech Limited under consortim finance by M/s Punjab National Bank,State Bank of India and Bank of Baroda. A total Cash credit Limit includes fund base limit and Non fund base limit of Rs 157.00 Crore .

The Directorate of Enforcement, Delhi Zonal Office, New Delhi has issued a provisional attachment order ("Order") bearing number 04/2020 and file number ECIR/10/DZ-1/2017 under Section 5(1) of the Prevention of Money Laundering Act, 2002 ("PMLA") against our Company, its then Director Mr. Vishal Garg and other third parties. Through the said attachment, bank account SBI Bank, Naryana Vihar, New Delhi maintained with has been attached for an amount of Rs. 6,20,721/-.

There is demand of Rs 6,83,570.90 for past outstanding TDS demand as per traces site as at 31.03.2021

**55 Micro, Small & Medium Enterprises :-**

The information as required to be disclosed in relation to Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	As at March 31, 2021	As at March 31, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	-	-
Principal	-	-
Interest	-	-
The amount of interest paid by the buyer in terms of section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act) along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act.	-	-

**56 Approval of standalone financial statements**

The standalone financial statements were approved for issue by the Board of Directors of the Company on 25th June, 2021 subject to approval of shareholders.

As per our report of even date attached  
for GOYAL NAGPAL & CO.

Chartered Accountants  
FRN: 018289C

For and on behalf of the Board of Directors

(CA Virender Nagpal)  
Partner  
M.No. 416000  
Date: 25-06-2020  
Place: Delhi  
UDIN : 21416004AAAAGI3775

Vivek Garg  
Managing Director  
DIN : 00255443

Vijay Kumar Sharma  
Whole time Director & CEO  
DIN : 08721833

Chandan Kumar  
Chief Financial Officer

Ms. Monika Soni  
Company Secretary



## INDEPENDENT AUDITOR'S REPORT

To the Members of Vikas Multicorp Limited

Report on the Standalone Ind AS financial Statements

### Opinion

We have audited the accompanying standalone Ind AS financial statements of Vikas Multicorp Limited ("the Company") which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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 Responsibility 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 ethical requirements that are relevant to our audit of the standalone 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 obtained by us 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 standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

#### (i) Revenue Recognition, rebate and sales returns

(As described in note 2.18 and 28 of the standalone Ind AS financial statements)

##### Revenue Recognition

The timing of revenue recognition is relevant to the reported performance of the Group.

We identified revenue recognition as a key audit matter because of the quantum of revenue and the time and audit effort involved in auditing the terms of the customers contract and the revenue recognized.

For the year ended March 31, 2020 the Company has recognized revenue from contracts with customers amounting to ₹ 153,02,70,524/-.

Our audit procedures included the following:

- We assessed the compliance of the revenue recognition accounting policy against the requirements of Indian Accounting Standard ("Ind AS").
- Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition on selected transactions.
- Using statistical sampling, we tested the terms of the revenue contracts against the recognition of revenue based on the underlying documentation and records.
- We tested the accuracy of revenue recognized around year end. On a sample

<p><b>Rebates and Sales Returns</b></p> <p>The Group provides rebates to various customers in terms of formal agreements. The recognition and measurement of rebates, including establishing an accrual at year end, involves significant judgment and estimates, particularly the expected level of rebates of each of the customers.</p> <p>As disclosed in Note to the financial statements, revenue is recognized net of sales returns. Judgment and estimates.</p> <p>The value of rebates and sales returns together with the level of judgment involved resulted in rebates and sales returns being a key audit matter.</p> <p>.</p>	<p>basis, we evaluated the appropriateness of revenue being recognized in the correct accounting period.</p> <ul style="list-style-type: none"> <li>• We assured the adequacy of disclosures in the financial statement against the requirements of Ind AS -115, Revenue from customer with contract.</li> </ul> <p>Our audit procedures included the following</p> <ul style="list-style-type: none"> <li>• Understanding the process followed by the group for identifying and determining the value of rebates and sales returns.</li> <li>• We evaluated the design and tested the operating effectiveness of the relevant key financial controls with respect to recognition and accrual of the rebate expenses and sales returns</li> <li>• We tested the data used by the company in assessing the provision for rebates and sales returns for completeness and accuracy by agreeing the invoices for the rebates and sales returns to the formal agreements.</li> <li>• On a sample basis, we evaluated the basis of rebate and sales return provision by agreeing amount recognized to the terms of agreements and approvals.</li> <li>• We assessed the reasonableness of assumptions and judgments used in the sales return provision by comparing against historical trends of returns and subsequent actual sales returns.</li> </ul>
<p><b>(ii) Inventories</b> (As described in note 11 of the standalone Ind AS financial statements)</p>	
<p>Management's Physical verification of closing Inventories was not physically observed by us subsequent to the year-end due to the restriction imposed on account of COVID-19.</p>	<p>We have carried out following procedures with respect to the existence of inventories as at the year-end:</p> <p>On account of COVID-19 related national wide lockdown, we were unable to carry out inventories verification at the year end. Consequently, we have performed the following alternate procedures to audit the existence of inventories:</p> <ul style="list-style-type: none"> <li>• Participated in the physical verification of inventories conducted by the management subsequent to the year end, through video calls and performed roll back procedures.</li> </ul>
<p><b>(iii) Related party transactions</b>(As described in note 44 of the standalone Ind AS financial statements)</p>	
<p>The Company has entered into several transactions with</p>	<p>In view of the significance of the matter we</p>

<p>related parties during the year 2019-20. We identified related party transactions as a key audit matter because of risks with respect to completeness of disclosures made in the financial statements including recoverability thereof; compliance with statutory regulations governing related party relationships such as the Companies Act, 2013 and SEBI Regulations and the judgment involved in assessing whether transactions with related parties are undertaken at arms' length.</p>	<p>applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> <li>• We carried out an assessment of the key controls to identify and disclose related party relationships and transactions in accordance with the relevant accounting standard.</li> <li>• We carried out an assessment of compliance with the listing regulations and the regulations under the Companies Act, 2013, including checking of approvals/scrutiny as specified in Sections 177 and 188 of the Companies Act, 2013 with respect to the related party transactions.</li> <li>• We considered the adequacy and appropriateness of the disclosures in the financial statements, including recoverability thereof, relating to the related party transactions.</li> <li>• For transactions with related parties, we inspected relevant ledgers, agreements and other information that may indicate the existence of related party relationships or transactions. We also tested completeness of related parties with reference to the various registers maintained by the Company statutorily.</li> <li>• We have tested on a sample basis, Company's assessment of related party transactions for arm's length pricing.</li> </ul>
<p><b>(iv) Impairment of Trade Receivables</b> (As described in note 7 of the standalone Ind AS financial statements)</p>	
<p>Non Current Trade Receivables amount to approximately 62.71Crore in which includes expected credit loss amounts to approximately 2.72Crore as at 31<sup>st</sup> March 2020.</p> <p>The Company has applied a simplified ECL Model to determine the impairment against trade receivables at the reporting date.</p> <p>The Expected credit loss model involves the use of various assumptions and study of historical observed default rates over the expected life of the trade receivables.</p> <p>The significant judgments include the assessment for the forward looking estimates.</p> <p>Due to significance of trade receivables and the significant judgments involved in determining the ECL, the impairment of trade receivables was considered to be a key audit matters.</p>	<p>Our audit procedures included the following</p> <ul style="list-style-type: none"> <li>• We assessed the design and implementation and tested the operating effectiveness of the Group's relevant key financial controls around the ECL Allowance.</li> <li>• We critically assessed the ECL model developed by the Company to determine appropriateness against the requirements of Ind AS -109.</li> <li>• We tested key assumptions and judgments, such as those used to assess to likelihood of default and loss on default by comparing to historical and forward looking date.</li> <li>• We considered the adequacy of the disclosure in the financial statement against the requirement of Ind AS-109 and</li> </ul>

We have determined that there are no other key audit matters to communicate in our report.

### **Information Other than the Standalone Ind AS financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Management Responsibility for the Standalone Ind AS financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India.

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 standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the IndAS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of Standalone Ind AS financial Statement**

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matters**

- The Standalone Ind AS Financial Statements also includes the financial information of Investment in Partnership Firm which has not been audited, whose financial information reflects share of profit from Partnership Firm aggregating to ` 1.38 Crore for the year ended 31<sup>st</sup> March 2020. The financial information of the partnership firm has been unaudited and has been furnished to us by the Management and our opinion on the standalone Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these Investment in partnership firm, is based solely on such unaudited financial information which is certified by management.
- During the year company has destruction of stock due to fire at godown at Rajasthan on Dated 08.04.2019. Company has recognized Loss of stock amounting to Rs. 1.03 Crore but company has not filed any insurance claim. The above loss of stock amounting ` 1.03 Crore has been certified by management.

Our report is not modified in respect of this matter with respect of other financial information's certified by the management.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the

“Annexure A” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 Control with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s Internal financial controls over financial reporting.
  - g) In our opinion the managerial remuneration for the year ended March 31, 2020 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
  - h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 55 to the Standalone Ind AS 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Goyal Nagpal & Co.**  
**Chartered Accountants**  
**(Firm’s Registration No. 018289C)**

**CA Neeraj Goyal**  
**Partner**  
**(Membership No. 416000)**  
**UDIN: 20416000AAAABH1984**

**Place: New Delhi**  
**Date: June25, 2020**

### **Annexure A to the Independent Auditors' Report**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements of **Vikas Multicorp Limited** for the year ended March 31, 2020, we report that:

- I.
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
  - b. The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of 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 fixed assets 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.
  - c. According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- II. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification
- III. The Company has not granted any loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- IV. The company has not granted any loans under provisions of section 185 and has complied with provisions of section 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- V. The Company has not accepted any deposits within the meaning of sections 73 to 76 of the act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the order are not applicable.
- VI. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act.
- VII. According to the information and explanations given to us, in respect of records of statutory dues
  - a. The company is generally with appropriate authorities regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, goods and services tax, value added tax, cess and any other statutory dues applicable to it.
  - b. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
  - c. According to the records of the company, the dues outstanding of employees' state insurance, income-tax, sales-tax, duty of custom, duty of excise, goods and service tax, cess and other statutory dues, on account of any dispute are as follows:

<b>Name of the statute</b>	<b>Nature of dues</b>	<b>Amount (in Rs)</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
Income Tax Act, 1961	Income Tax Demand	6.04 Lakhs	A.Y. 2016-17	ITAT- Delhi
Income Tax Act, 1961	Income Tax Demand	45.03 Lakhs	A.Y. 2017-18	CIT(A)- Delhi

- VIII. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or Government.
- IX. In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were obtained. The Company has not raised any money by way of initial public offer / further public offer / debt instruments during the year.
- X. In our opinion no material fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- XI. In our opinion and according to the information and the explanations given to us and based on examination of records of the company, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- XII. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- XIII. In our opinion and according to the information and the explanations given to us and based on our examination of the records of the company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where ever applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- XIV. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- XV. According to the information and the explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him under the provisions of section 192 of Companies Act, 2013
- XVI. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Goyal Nagpal & Co.  
Chartered Accountants  
(Firm's Registration No. 018289C)**

**CA Neeraj Goyal  
Partner  
(Membership No. 416000)  
UDIN: 20416000AAAABH1984**

**Place: New Delhi  
Date: June 25, 2020**



**Annexure - B to the Independent Auditor's Report of even date on the Standalone Ind AS financial statements of Vikas Multicorp Limited**

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

We have audited the internal financial controls over financial reporting of **Vikas Multicorp Limited** ('the company') as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 over financial reporting of the company.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management 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.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Goyal Nagpal & Co.**  
**Chartered Accountants**  
**(Firm's Registration No. 018289C)**

**CA Neeraj Goyal**  
**Partner**  
**(Membership No. 416000)**  
**UDIN: 20416000AAAABH1984**

**Place: New Delhi**

**Date: June 25, 2020**

**VIKAS MULTICORP LIMITED**  
**CIN: U25111DL1995PLC073719**  
**BALANCE SHEET AS AT MARCH 31, 2020**

(Amount in Millions)

Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
<b>ASSETS</b>			
<b>Non-current Assets</b>			
a) Property, Plant and Equipment	3	35.16	35.46
b) Investment Property	4	65.95	42.22
c) Financial Assets		-	-
(i) Investments	5	99.41	480.02
(ii) Loans	6	18.00	18.00
(iii) Trade Receivables	7	<b>599.90</b>	88.13
(iv) Other financial assets	8	43.51	43.11
d) Deferred Tax Assets (Net)	9	2.22	5.59
e) Other Assets	10	13.59	26.63
<b>Total Non Current Assets</b>		<b>877.74</b>	<b>739.17</b>
<b>Current Assets</b>			
a) Inventories	11	303.30	282.35
b) Financial assets		-	-
(i) Trade receivables	12	1,162.37	1,350.47
(ii) Cash & cash equivalents	13	2.17	15.45
(iii) Loans	14	0.05	0.14
(iv) Other financial assets	15	6.95	7.42
c) Other Assets	16	194.35	54.62
<b>Total Current Assets</b>		<b>1,669.20</b>	<b>1,710.44</b>
<b>Total Assets</b>		<b>2,546.94</b>	<b>2,449.61</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity Share capital	17	663.50	663.50
b) Other Equity	18	-128.27	238.99
<b>Total Equity</b>		<b>535.23</b>	<b>902.49</b>
<b>Liabilities</b>			
<b>Non- current liabilities</b>			
a) Financial Liabilities		-	-
(i) Borrowings	19	54.97	83.64
b) Provisions	20	0.78	0.78
c) Other Liabilities	21	50.84	23.03
<b>Total Non Current Liabilities</b>		<b>106.59</b>	<b>107.46</b>
<b>Current Liabilities</b>			
a) Financial Liabilities		-	-
(i) Borrowings	22	350.54	308.75
(ii) Trade Payables	23	-	-
(a) Total Outstanding dues of micro & small enterprises		-	-
(b) Total Outstanding dues of creditors other than micro & small enterprises		1,222.89	903.27
(iii) Other financial liabilities	24	2.14	-
b) Other Liabilities	25	323.18	218.14
c) Provisions	26	0.12	0.13
d) Current Tax Liabilities (Net)	27	6.25	9.37
<b>Total Current Liabilities</b>		<b>1,905.12</b>	<b>1,439.67</b>
<b>Total Equity &amp; Liabilities</b>		<b>2,546.94</b>	<b>2,449.61</b>

The accompanying Notes 1 to 57 forms integral part of these Financial Statements

As per our report of even date attached

**for GOYAL NAGPAL & CO.**

Chartered Accountants

FRN: 018289C

For and on behalf of the Board of Directors

(CA Neeraj Goyal)  
Partner

M.No. 416000

Date: 25-06-2020

Place: Delhi

UDIN : 20416000AAAABH1984

Vivek Garg  
Managing Director  
DIN : 00255443

Vijay Kumar Sharma  
Whole time Director & CEO  
DIN : 08721833

Chandan Bhardwaj  
Chief Financial Officer

Gaurav Aggarwal  
Company Secretary

**VIKAS MULTICORP LIMITED**
**CIN: U25111DL1995PLC073719**
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020**

(Amount in Millions)

Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
<b>Income</b>			
Revenue From Operations	28	1,551.55	2,158.24
Other Income	29	30.34	33.61
<b>Total Income</b>		<b>1,581.89</b>	<b>2,191.85</b>
<b>Expenses</b>			
Cost of Material Consumed	30	1,227.81	607.43
Purchase of Stock-In-Trade	31	212.27	1,494.69
Changes in inventories of Finished Goods and stock-in-trade	32	-15.50	-67.35
Employee Benefit Expenses	33	9.93	11.58
Finance Costs	34	50.11	62.10
Depreciation expense	35	7.42	7.22
Other expenses	36	54.47	61.32
<b>Total Expenses</b>		<b>1,546.50</b>	<b>2,176.97</b>
<b>Profit before exceptional items and tax</b>		<b>35.39</b>	<b>14.87</b>
Exceptional Items	37	-10.33	14.70
<b>Profit Before Tax</b>		<b>25.06</b>	<b>29.57</b>
<b>Tax expense:</b>	38	-	-
Current Tax		8.39	11.26
Taxes of Previous Year		-0.61	2.67
Deferred Tax (credit)		3.31	-5.13
<b>Total Tax Expense</b>		<b>11.09</b>	<b>8.80</b>
<b>Profit for the period</b>		<b>13.97</b>	<b>20.78</b>
Other Comprehensive Income (OCI)			
- Items that will not be reclassified to profit or loss	39		
"(a) Fair valuation of financial instruments through OCI		-381.43	-741.86
' Tax on Fair valuation of Financial Instruments		-	-
" (b) Re-measurement gains/(losses) on defined benefit plans		0.26	-
' Tax on remeasurement of Defined Benefit Obligation		-0.06	-
<b>Total Other Comprehensive Income for the period</b>		<b>-381.23</b>	<b>-741.86</b>
<b>Total Comprehensive Income for the period</b>		<b>-367.26</b>	<b>-721.08</b>
Earnings per Equity Share	40		
Basic ( in ₹ )		0.021	0.031
Diluted ( in ₹ )		0.021	0.031

The accompanying Notes 1 to 57 forms integral part of these Financial Statements

**for GOYAL NAGPAL & CO.**

For and on behalf of the Board of Directors

Chartered Accountants

FRN: 018289C

(CA Neeraj Goyal)

Partner

M.No. 416000

Date: 25-06-2020

Place: Delhi

UDIN : 20416000AAAABH1984

 Vivek Garg  
Managing Director

DIN : 00255443

 Chandan Bhardwaj  
Chief Financial Officer

 Vijay Kumar Sharma  
Whole time Director &  
CEO

DIN : 08721833

 Gaurav Aggarwal  
Company Secretary

**VIKAS MULTICORP LIMITED**  
**CIN: U25111DL1995PLC073719**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020**

(Amount in Millions)

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
<b>A. Cash flow from operating activities :</b>				
<b>Net Profit before tax</b>		<b>25.06</b>		<b>29.57</b>
<i>Adjustments for :</i>	-		-	
Depreciation	7.42		7.22	
(Profit)/Loss on sale of PPE & Investment Property	-1.93		-0.22	
Finance costs	50.11		62.10	
Share Profit from Partnership Firm	-13.88		-2.43	
Foreign Exchange difference	5.78		-9.38	
(Profit)/Loss on Sales of Investment	6.74		-14.16	
Provision for Gratuity	0.25		0.92	
Dividend Income	-		-2.06	
Interest income	-8.61	<b>45.87</b>	-3.75	<b>38.24</b>
<b>Operating profit / (loss) before working capital changes</b>		<b>70.94</b>		<b>67.82</b>
<i>Movements in Working capital :</i>		-		-
Inventories	-20.96	-	-134.52	-
Trade receivables	-329.45	-	-302.32	-
Financial Assets & other assets	-126.53	-	-72.75	-
Trade payables	319.62	-	267.26	-
Other financial liabilities	2.14	-	0.25	-
Other current liabilities	132.85	-	69.49	-
		<b>-22.33</b>		<b>-172.59</b>
<b>Cash generated from operations</b>		<b>48.60</b>		<b>-104.77</b>
Income tax paid (Net of refunds)		-10.90		<b>-11.16</b>
<b>Net cash flow from operating activities (A)</b>		<b>37.71</b>		<b>-115.93</b>
<b>B. Cash flow from investing activities</b>				
Purchase of property, Plant and Equipement	-5.01		-9.01	
Stock converted into Investment in Property	-66.99		-	
Proceeds from sale of fixed assets	-		0.45	
Proceeds from Investment property	43.10		-	
Proceeds from Investments	6.31		2.93	
Dividend Income	-		2.06	
Interest received	8.61		3.75	
<b>Net cash flow from / (used in) investing activities (B)</b>	-	<b>-13.99</b>	-	<b>0.17</b>
<b>C. Cash flow from financing activities</b>				
Proceeds/(Repayments) in long-term borrowings	-28.68	-	192.07	-
Proceeds/(Repayments) in short term borrowings	41.79	-	-	-
Finance cost	-50.11	-	-62.10	-
<b>Net cash flow from / (used in) financing activities (C)</b>	-	<b>-36.99</b>	-	<b>129.97</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	-	<b>-13.27</b>	-	<b>14.21</b>
Cash and cash equivalents at the beginning of the year	-	15.45	-	1.24
<b>Cash and cash equivalents at the end of the year</b>	-	<b>2.17</b>	-	<b>15.45</b>
<b>Components of Cash &amp; Cash Equivalents (Refer Note No. 14)</b>				
Cash on hand	-	1.32	-	0.35
Cheques in Hand	-	0.01	-	14.85
Balances with Banks	-	0.84	-	0.25
<b>Cash &amp; Cash equivalents in Cash Flow Statement</b>	-	<b>2.17</b>	-	<b>15.45</b>

The accompanying Notes 1 to 57 forms integral part of these Financial Statements

**for GOYAL NAGPAL & CO.**

Chartered Accountants  
FRN: 018289C

For and on behalf of the Board of Directors

(CA Neeraj Goyal)  
Partner  
M.No. 416000  
Date: 25-06-2020  
Place: Delhi  
UDIN : 20416000AAAABH1984

Vivek Garg  
Managing Director  
DIN : 00255443  
  
Chandan Bhardwaj  
Chief Financial Officer  
**235**

Vijay Kumar Sharma  
Whole time Director & CEO  
DIN : 08721833  
  
Gaurav Aggarwal  
Company Secretary

**VIKAS MULTICORP LIMITED**  
**CIN: U25111DL1995PLC073719**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020**

**(A) Equity Share Capital**

Equity shares of Rs. 1 each issued, subscribed and fully paid up

( Amount In Millions)

Particulars	No of Equity Share	Amount
<b>Issued, subscribed and fully paid</b>		
<b>Equity shares face value of Rs. 1 each share</b>		
As at April 1, 2018	663495495	663.50
Changes in equity share capital	0	-
As at March 31, 2019	663495495	663.50
Changes in equity share capital	0	-
As at March 31, 2020	663495495	663.50

**(B) Other Equity**

( Amount In Millions)

Particulars	Reserves & Surplus			Equity Instruments through Other Comprehensive Income	Total Equity
	Capital Reserve	Securities Premium Reserve	Retained Earnings		
As at April 1, 2018	59.80	106.31	14.83	779.13	960.08
Other Comprehensive Income, net of tax	-	-	-	-741.86	-741.86
Profit for the year	-	-	20.78	-	20.78
As at March 31, 2019	59.80	106.31	35.61	37.27	238.99
Other Comprehensive Income	-	-	-	-381.23	-381.23
Profit for the year	-	-	13.97	-	13.97
As at March 31, 2020	59.80	106.31	49.58	-343.96	-128.27

The accompanying Notes 1 to 57 forms integral part of these Financial Statements

As per our report of even date attached

**for GOYAL NAGPAL & CO.**

Chartered Accountants

FRN: 018289C

For and on behalf of the Board of Directors

(CA Neeraj Goyal)

Partner

M.No. 416000

Date: 25-06-2020

Place: Delhi

UDIN : 20416000AAAABH1984

Vivek Garg

Managing Director

DIN : 00255443

Vijay Kumar Sharma

Whole time Director & CEO

DIN : 08721833

Chandan Bhardwaj  
Chief Financial Officer

Gaurav Aggarwal  
Company Secretary

## **COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES**

### **1 Company Information**

Vikas Multicorp Limited (the Company) is a public company domiciled in India and is incorporated under the provisions of the companies act applicable in India. Its shares are listed on recognised Bombay stock exchange and National Stock Exchange in India. The registered office of the company is located at 34/1, Viaks House, East Punjabi Bagh, New Delhi-110052. The Company is principally engaged in the business of Manufacturer and Trader of PVC and Plastic Products. .

### **2 Significant accounting policies**

#### **2.01 Basis of compliance**

The Standalone Financial Statements comply, in all material aspects, with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

#### **2.02 Basis of preparation and presentation**

The Standalone Financial Statements have been prepared on the historical cost basis, except for certain Land and Building from "Property, Plant and Equipment", financial instruments and defined benefit plans which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

#### **2.03 Critical accounting estimates, assumptions and judgements**

The preparation of the Standalone Financial Statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the Standalone Financial Statements and the reported amounts of income and expense for the periods presented

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

##### **(i) Estimation of defined benefit obligation**

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

##### **(ii) Estimation of current tax and deferred tax**

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax assets could change if management estimates of projected future taxable income or if tax regulations undergo a change.

**VIKAS MULTICORP LIMITED****CIN: U25111DL1995PLC073719****NOTES FORMING PART OF THE FINANCIAL STATEMENTS****(iii) Useful lives of depreciable/amortizable assets**

Management reviews the estimated useful lives and residual value of PPE and Intangibles at the end of each reporting period. Factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently the future depreciation charge could be revised and may have an impact on the profit of the future years.

**(iv) Impairment of trade receivables**

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 are written off when management deems them not to be collectible. Impairment is recognised based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

**(v) Fair value measurement**

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (refer note 42).

**(vi) Evaluation of indicators for impairment of assets**

The evaluation of applicability of indicators of impairment of assets is based on assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**vii) Provisions and contingencies**

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being subject to uncertainties inherent in litigations. A provision for litigation is made when it is considered probable that a payment will be made and the amount can be reasonably estimated. Significant judgement is required when evaluating the provision including, the probability of an unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Provisions for litigations are reviewed at each accounting period and revisions made for the changes in facts and circumstances. Contingent liabilities are disclosed in the notes forming part of the Standalone Financial Statements. Contingent assets are not disclosed in the Standalone Financial Statements unless an inflow of economic benefits is probable.

**2.04 Current and non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- Current assets includes current portion of non-current of financial assets.



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

A liability is current when it is:

- Expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- Due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.
- Current Liabilities includes current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**2.05 Equity, reserves and dividend payment**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Retained earnings include current and prior period retained profits. All transactions with owners of the Company are recorded separately within equity.

**2.06 Property Plant & Equipment****i) Initial recognition and measurement**

An item of property, plant and equipments recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Items of Property, Plant and Equipment are measured at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management. When parts of an item of property, plant and equipment have different useful life, they are recognized separately. Items of spare parts, stand-by equipment and servicing equipment which meet the definition of Property, Plant and Equipment are capitalized. Property, Plant and Equipments which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital Work-In-Progress'.

**ii) Subsequent costs**

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of Property, Plant and Equipment are recognized in profit or loss as incurred.

**iii) De-recognition**

Property, Plant and Equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

**iv) Revaluation**

Land and Building (Property, Plant and Equipment) are revalued at fair valuation . Surplus from revaluation has been transferred to Revaluation Reserve under the head of Other Equity

**v) Depreciation/amortization**

Depreciation is recognized in profit or loss on a written down value over the estimated useful life of each item of Property, Plant and Equipment.

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

Depreciation on property, plant and equipment is provided on their estimated useful life as prescribed by Schedule II of Companies Act, 2013 as follows:

- |              |          |            |
|--------------|----------|------------|
| 1) Buildings | 30 years | <b>239</b> |
|--------------|----------|------------|

**VIKAS MULTICORP LIMITED****CIN: U25111DL1995PLC073719****NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

2) Plant & Machinery	15 years
3) Furniture & Fixtures	10 years
4) Vehicles	08 years
5) Office Equipments	05 years
6) Electrical Installation	10 years
7) Computer	03 years
8) Leasehold Improvements	Over the period of lease

The residual value, useful life and methods of PPE are reviewed at each financial year end and adjusted prospectively.

**2.07 Capital work-in-progress**

The cost of self-constructed assets includes the cost of materials & direct labour, borrowing costs, any other costs directly attributable to bring the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

**2.08 Intangible assets****i) Initial recognition and measurement**

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have infinite useful lives, are recognized at cost less accumulated impairment losses, if any. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

**ii) Subsequent costs**

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

**iii) De-recognition**

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

**iv) Amortization**

Amortization is made at usefull life of Intangible Assets at Stright line method

**2.09 Impairment of property, plant and equipment, other intangible assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable and impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company of assets (cash generating units). If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the statement of profit and loss.

**2.10 Investment Property**

Investment properties are measured at cost less accumulated depreciation and impairment losses, if any. Depreciation on building is provided over the estimated useful lives as specified in Schedule II to the Companies Act, 2013.

**2.11 Inventories**

Inventories are valued at the lower of cost or net realisable value. The cost of inventories is based on the first-in-first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Cost incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials: Purchase cost on first-in-first out basis
- Finished goods and work in progress: Cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs
- Inventory related to real estate division: Valued at cost incurred

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses

Raw materials, components and other supplies held for use in production of finished goods are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Obsolete, slow moving, defective inventories, shortage/ excess are identified at the time of physical verification of inventories and wherever necessary provision/ adjustment is made for such inventories.

**2.12 Cash and Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and cash in hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of change in value.

**2.13 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**i) Financial assets:**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

**a) Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**b) Subsequent measurement**

Financial assets are subsequently classified and measured at:

- Financial assets at amortised cost
- Financial assets at fair value through profit and loss (FVTPL)
- Financial assets at fair value through other comprehensive income (FVTOCI).

**c) Equity Instruments:**

All investments in equity instruments in entities other than subsidiaries and joint ventures are measured at fair value. Equity instruments if held for trading are classified as at FVTPL. For all other equity

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instruments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment as the company transfers cumulative gain or loss within the equity.

**VIKAS MULTICORP LIMITED****CIN: U25111DL1995PLC073719****NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

Equity instruments if classified as FVTPL category are measured at fair value with all changes recognized in the profit and loss.

**d) De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The contractual rights to receive cash flows from the asset have expired, or
- The Company has transferred its contractual rights to receive cash flows from the asset.

**e) Impairment of Financial Asset**

Expected credit losses are recognized for all financial assets subsequent to initial recognition in Statement of Profit and loss.

For recognition of impairment loss on financial assets other than Trade receivables, the company determines whether there has been a significant increase in the credit risk since initial recognition. If

If, in a subsequent period, credit quality of the instrument improves to such extent that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12- Month ECL.

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical

**ii) Financial liabilities****a) Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

**b) Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any material transaction that are any integral part of the EIR. Trade and other payables maturing within one year from the balance sheet date are carried at transaction value and the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

**c) De-recognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

**2.14 Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

**2.15 Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or Indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

**2.16 Impairment of Financial Assets**

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a company of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

**2.17 Provisions, Contingent Liabilities and Contingent Assets**

Provision are measured at the Present value of the management's best estimate (these estimated are reviewed at each reporting date and adjusted to reflect the current best estimate) of the expenditure required to settle the present obligation at the end of reporting period. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Contingent liabilities are disclosed only when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which is 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 the obligation or estimate of the amount cannot be measured reliably.

No contingent asset is recognized but disclosed by way of notes to accounts only when its recognition is virtually certain.

**2.18 Revenue Recognition**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Amount of sales are net of goods and service tax, sale returns, trade allowances and discounts but inclusive of excise duty.

Effective 01 April 2018, the company adopted Ind AS 115 "Revenue from Contracts with customers" using the modified retrospective method. Under the modified retrospective method, an entity applies Ind AS 115 only for contracts that are not completed on or before 31 March 2018.

To determine whether to recognize revenue, the company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

The company considers the terms of the contract and its customary business practice to determine the transaction price.

In all cases, the total transaction price is allocated amongst the various performance obligations based on their relative standalone selling price. The transaction price excludes amounts collected on behalf of third parties. The consideration promised include fixed amounts, variable amounts, or both.

Revenue is recognised either at a point in time or over time, when (or as) the company satisfies performance obligations by transferring the promised goods or services to its customers.

For each performance obligation identified the company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at point in time. If any entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time.

A receivable is recognised where the company's right to consideration is unconditional (i.e. any passage of time is required before payment if the consideration is due).

When either party to a contract has performed, an entity shall present the contract in the balance sheet as contract asset or contract liability, depending on the relationship between the entity's performance and the customer's payment.

While this represents significant new guidance, the implementation of this new guidance had no impact on the timing or amount of revenue recognised by the company in any year.

Company continues to account for export benefits on accrual basis.

Other income

All other income is recognized on accrual basis when no significant uncertainty exists on their receipt.

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest is accrued on time proportion basis, by reference to the principle outstanding at the effective interest rate.

Dividends

Income from dividend on investments is accrued in the year in which it is declared, whereby the company's right to receive is established.

**2.19 Non-current assets held for sale and discontinued operations**

Non-current assets (including disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less cost to sell

Non-current assets classified as held for sale are not depreciated or amortised from the date when they are classified as held for sale.

Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the Standalone Balance Sheet.

**2.20 Foreign Currency Conversions/Transactions**

Foreign Currency Transactions are recorded at the exchange rates prevailing on the date of the transactions. Gains and losses arising out of subsequent fluctuations are accounted for on actual payments or realisations as the case may be. Monetary assets and liabilities denominated in foreign currency as on Balance Sheet date are translated into functional currency at the exchange rates prevailing on that date and Exchange differences arising out of such conversion are recognised in the Statement of Profit and Loss.

**2.21 Income Taxes**

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to any business combination or to an item which is recognised directly in equity or in other comprehensive income.

**a) Current Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**b) Deferred Tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of 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. Unrecognized deferred tax assets are re-assessed 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 assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable company Group and the same taxation authority.

During the year, the Company decided to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from the current financial year. Accordingly, the provision for income tax and deferred tax balances have been recorded/remeasured using the new tax rate.

**c) Minimum Alternate Tax (MAT)**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward.

In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset.

The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

**2.22 Employee Benefits****i) Short Term Employee Benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Company has a present, legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**ii) Post-Employment benefits**

Employee benefit that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). Company has identified two types of post employment benefits:

**a) Defined contribution plans**

Defined contribution plans are those plans in which the company pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Provident Fund and Employee State Insurance are Defined Contribution Plans in which company pays a fixed contribution and will have no further obligation beyond the monthly contributions and are recognised as an expenses in Statement of Profit & Loss.

**b) Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Company pays Gratuity as per provisions of the Gratuity Act, 1972. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit to employees is discounted to determine its present value.

The calculation is performed annually by a qualified actuary using the projected unit credit method. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Any actuarial gains or losses pertaining to components of re-measurements of net defined benefit liability/(asset) are recognized in OCI in the period in which they arise.

**2.23 Borrowing Cost**

Borrowing cost include interest calculated using the effective interest method, amortization of ancillary costs and other costs the company incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

**2.24 Earning Per Share**

Basic Earning Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

**2.25 Leases**



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

The Company has adopted Ind AS 116 effective from April 1, 2019 using modified retrospective approach. For the purpose of preparation of Standalone Financial Information, management has evaluated the impact of change in accounting policies required due to adoption of Ind AS 116 for year ended March 31, 2020. Accordingly the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a define period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether: (i) the contact involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

As a lessee, The Company recognises a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments and lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option;

The lease liability is measured at amortised cost using the effective interest method

The Company has elected not to recognise right of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Company applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

**2.26 Statement of Cash Flows**

Statement of cash flows is prepared in accordance with the Indirect method prescribed in Ind AS-7 'Statement of cash flows.

**2.27 Segment reporting**

The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director and Chief Executive Officer (who is the Company's chief operating decision maker) in deciding how to allocate resources and in assessing performance

The accounting policies adopted for segment reporting are in conformity with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating

**2.28 Dividend**

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors

**VIKAS MULTICORP LIMITED**

**CIN: U25111DL1995PLC073719**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**3 Recent Indian Accounting Standard (Ind AS) and note on COVID-19**

**3.01 Recent accounting pronouncements which are not yet effective**

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020

**3.02 Note on COVID-19**

The Company had closed its manufacturing plants and offices with effect from March 22, 2020 following countrywide lockdown due to Covid-19. Subsequent to the year end, the Company’s manufacturing facilities and offices had resumed operations in gradual manner, in later part of the first quarter of the current fiscal, adhering to the safety norms prescribed.

The Company has assessed the impact of Covid-19 pandemic on its business operations and has considered relevant internal and external information available up to the date of approval of these financial statements, in determination of the recoverability and carrying value of property, plant and equipment, inventories, and trade receivables and based on the current estimates, the Company expects the carrying amount of these assets will be recovered.

Further, the management believes that there is impact of Covid-19 pandemic on performance of the Company in the short term but no significant impact on financial position and performance is likely in long-term. The Company will continue to closely monitor any material changes to future economic conditions.

**VIKAS MULTICORP LIMITED**
**CIN: U25111DL1995PLC073719**
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**
**3 Property, Plant and Equipment**

( Amount In Millions)

Particulars	Free Buildings*	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipments	Total
<b>Year Ended March 31, 2019</b>						
Gross carrying amount at the Beginning	16.59	12.95	0.76	15.29	0.04	45.63
Additions	-	8.99	0.02	-	-	9.01
Disposals/Transfer	-	-	-	-1.76	-	-1.76
Adjustments	-	-	-	-	-	-
<b>Gross carrying amount at the end of Reporting Period</b>	<b>16.59</b>	<b>21.94</b>	<b>0.78</b>	<b>13.53</b>	<b>0.04</b>	<b>52.89</b>
<b>Accumulated Depreciation :</b>						
Accumulated depreciation at the Beginning	3.79	2.59	0.66	6.87	0.04	13.96
Depreciation charge during the year	0.78	2.06	0.02	2.14	-	5.00
Disposals	-	-	-	-1.53	-	-1.53
Adjustments	-	-	-	-	-	-
<b>Accumulated depreciation and Impairment at the end of Reporting Period</b>	<b>4.57</b>	<b>4.65</b>	<b>0.67</b>	<b>7.48</b>	<b>0.04</b>	<b>17.43</b>
<b>Net Carrying amount March 31, 2019</b>	<b>12.01</b>	<b>17.29</b>	<b>0.11</b>	<b>6.04</b>	<b>-</b>	<b>35.46</b>
<b>Year Ended March 31, 2020</b>						
Gross carrying amount at the Beginning	16.59	21.94	0.78	13.53	0.04	52.89
Additions	-	4.95	0.02	-	0.04	5.01
Disposals/Transfer	-	-	-	-	-	-
<b>Gross carrying amount at the end of Reporting Period</b>	<b>16.59</b>	<b>26.89</b>	<b>0.81</b>	<b>13.53</b>	<b>0.08</b>	<b>57.90</b>
<b>Accumulated Depreciation :</b>						
Accumulated depreciation at the Beginning	4.57	4.65	0.67	7.48	0.04	17.43
Depreciation charge during the year	0.11	3.60	0.02	1.56	0.02	5.32
Disposals	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
<b>Accumulated depreciation and Impairment at the end of Reporting Period</b>	<b>4.69</b>	<b>8.26</b>	<b>0.69</b>	<b>9.05</b>	<b>0.06</b>	<b>22.74</b>
<b>Net Carrying amount March 31, 2020</b>	<b>11.90</b>	<b>18.64</b>	<b>0.12</b>	<b>4.48</b>	<b>0.02</b>	<b>35.16</b>

\* Building No. F-4, First floor , 43/1, East Punjabi Bagh, New Delhi-110026 hypothecated against cash credit limit from Union Bank of India

**VIKAS MULTICORP LIMITED**
**CIN: U25111DL1995PLC073719**
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**
**4 Investment Property**

( Amount In Millions)

Particulars	Land	Buildings	Total
<b>Year Ended March 31, 2019</b>			
Gross carrying amount at the Beginning	-	46.72	46.72
Additions	-	-	-
<b>Gross carrying amount at the end of Reporting Period</b>	-	46.72	46.72
<b>Accumulated Depreciation :</b>	-	-	-
Accumulated depreciation at the Beginning	-	2.28	2.28
Depreciation charge during the year	-	2.22	2.22
	-	4.50	4.50
Accumulated depreciation and Impairment at the end of Reproting Period			
<b>Net Carrying amount March 31, 2019</b>	-	42.22	42.22
<b>Year Ended March 31, 2020</b>			
Gross carrying amount at the Beginning	-	46.72	46.72
Additions / Deletion	-	-46.72	-46.72
Addition on account of Conversion of Stock in Trade into Investment in Property *	46.01	20.99	66.99
<b>Gross carrying amount at the end of Reporting Period</b>	46.01	20.99	66.99
<b>Accumulated Depreciation :</b>	-	-	-
Accumulated depreciation at the Beginning	-	4.50	4.50
Depreciation charge during the year	-	2.10	2.10
Disposals /Adjustments	-	-5.55	-5.55
	-	-	-
Accumulated depreciation and Impairment at the end of Reproting Period	-	1.05	1.05
<b>Net Carrying amount March 31, 2020</b>	46.01	19.94	65.95

\* During the year Company has converted Stock in Trade to Property, Plant and Equipements at cost price.

**Information regarding income and expenditure of Investment Property**

Particulars	As at March 31, 2020	As at March 31, 2019
Rental income derived from investment properties	2.50	-
Direct operating expenses (including repairs and maintenance) generating rental income	-	-
Profit arising from investment properties before depreciation and indirect expenses	2.50	-
Depreciation	-1.05	-
Profit arising from investment properties before indirect expenses	1.45	-

**Premises given on lease:**

The Company has given investment property ( land and building) on operating lease for 3 years and is renewable for further as per mutually agreeable terms.

( Amount In Millions)

5 Investments	Nominal Value per share	Number of shares		Amount	
		As at 31-Mar-2020	As at 31-Mar-2019	As at 31-Mar-2020	As at 31-Mar-2019
<u>Investments stated at Fair Value through Other Comprehensive Income</u>					
Investment in Equity Instruments (Quoted)*					
-Vikas Ecotech Limited	1	36.91	38.17	40.60	435.09
<u>Investments stated at Cost</u>					
Investments in Partnership Firm**					
-Ravi Crop Science				58.81	44.93
Total Non-current Investments				994.15	4,800.24

Particulars	31.03.2020	31.03.2019
* Quoted Investment Carried at amortized Cost	-	
Quoted Investment Carried at Fair Value through Profit & Loss	-	-
Quoted Investment Carried at Fair Value through Comprehensive Income	40.60	435.09
Aggregate amount of impairment in value of investments	-394.49	-37.27

**\*\* Investment in Partnership firm**

Name of Firm	Name of Partner	% of PSR	Capital Contribution 2020	Capital Contribution 2019
Ravi Crop Science	Vikas Multicorp Limited	90%	58.81	44.93
	Kartar	2%	-44.85	-40.00
	Om Prakash	6%	-5.95	-6.88
	Ankit Bhutani	2%	0.36	0.05

The Company is holding 90% of M/s Ravi Crop Science but Company doesnot exercise significant influence on the entity and hence not classified as an subsidiary for the purpose of Ind AS 28. As per Ind AS -28 If an entity holds, directly or indirectly (eg through subsidiaries), 20 per cent or more of the voting power of the investee, it is presumed that the entity has significant influence, unless it can be clearly demonstrated that this is not the case. A substantial or majority ownership by another investor does not necessarily preclude an entity from having significant influence.

**VIKAS MULTICORP LIMITED**  
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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**6 Loans**

( Amount In Millions)

Particulars	31st March, 2020	31st March, 2019
<b>Security Deposit</b>		
Unsecured, Considered good		
- ONGC Petro Additions Limited	18.00	18.00
<b>Total</b>	<b>18.00</b>	<b>18.00</b>

**7 Trade Receivables**

Particulars	31st March, 2020	31st March, 2019
<b>Unsecured, Considered good</b>		
- from related parties	-	-
- from others	580.08	88.13
<b>Significant increase in credit risk</b>		
- from others	19.83	-
<b>Credit Impaired</b>		
- from others	27.22	18.91
	-	-
Less: Allowance for expected credit loss	-27.22	-18.91
<b>Total</b>	<b>599.90</b>	<b>88.13</b>

**Allowances for expected credit loss**

i)	31st March, 2020	31st March, 2019
Balance at the beginning of the year	18.91	-
Add : Provision during the year	8.32	18.91
Balance at the end of the year	27.22	18.91

**8 Other financial assets**

Particulars	31st March, 2020	31st March, 2019
<b>Balance with Government Authorities</b>		
- Unsecured Considered good	0.50	0.10
	-	-
Fixed Deposits with banks held as margin money*	43.01	43.01
	-	-
<b>Total</b>	<b>43.51</b>	<b>43.11</b>

\* Bank Deposits with more than maturity of Twelve Months.

**9 Deferred tax assets (Net)**

(Amount in Rs.)

Particulars	31st March, 2020	31st March, 2019
<b><u>Tax effect of items constituting deferred tax asset</u></b>		
Accelerated depreciation	2.22	0.15
Provision for doubtful debts and advances	-	5.37
Remeasurement of Defined benefit plan	0.06	0.07
<b>Total (a)</b>	<b>2.29</b>	<b>5.59</b>
<b><u>Tax effect of items constituting deferred tax liability</u></b>		
Ind AS Adjustments	-0.06	-
<b>Total (b)</b>	<b>-0.06</b>	<b>-</b>
<b><u>Tax Credits</u></b>		
MAT Credit Entitlement	-	-
<b>Total (c)</b>	<b>-</b>	<b>-</b>
<b>Total Assets/ (Liability) (a)+(b)+(c )</b>	<b>2.22</b>	<b>5.59</b>

**VIKAS MULTICORP LIMITED**
**CIN: U25111DL1995PLC073719**
**Reconciliation of Deferred Tax (Net)**

Particulars	31st March, 2020	31st March, 2019
Opening Balance	5.59	0.46
Tax (income)/expense during the year recognised in profit or loss	-3.31	5.13
Tax (income)/expense during the year recognised in OCI	-0.06	-
MAT Credit Entitlement	-	-
<b>Closing balance of deferred Tax</b>	<b>2.22</b>	<b>5.59</b>

**10 Other Assets**

Particulars	31st March, 2020	31st March, 2019
<b>Capital Advances</b>		
Unsecured, considered good	1.90	-
	-	-
<b>Advance to Suppliers</b>		
Unsecured, considered good	11.69	26.63
<b>Total</b>	<b>13.59</b>	<b>26.63</b>

**11 Inventories**

Particulars	31st March, 2020	31st March, 2019
<b>Inventories*</b>		
(Valued at lower of cost or net realisable value on FIFO basis)		
Raw Materials	78.40	80.93
<b>Finished Goods</b>		
Real Estate Division	17.77	19.06
Manufacturing Division	3.69	-
	-	-
Packing Material	0.24	-
Stock in Trade -Traded Goods	203.19	182.36
<b>Total</b>	<b>303.30</b>	<b>282.35</b>

Inventories (excludes Real estate division) have been offered as security against the working capital facilities provided by the bank

\*\* Destruction of stock at godown at Rajasthan on Dated 08.04.2019. Company has recognised actual Loss of stock amounting to Rs. 1.03 Crore.

**12 Trade Receivables**
**(Amount in Rs.)**

Particulars	31st March, 2020	31st March, 2019
<b>Unsecured, Considered good</b>		
- from related parties	-	-
- from others	1,162.37	1,350.47
	-	-
<b>Total</b>	<b>1,162.37</b>	<b>1,350.47</b>

\* Trade receivables have been offered as security against the working capital facilities provided by the bank.

**13 Cash and Cash Equivalents**

Particulars	31st March, 2020	31st March, 2019
Balances with banks		
- Current Accounts	0.84	0.25
Cash on hand	1.32	0.35
Cheques in Hand	0.01	14.85
<b>Total</b>	<b>2.17</b>	<b>15.45</b>

\* **Non cash transactions**

The Company has not entered into any non cash investing and financing activities

**14 Loans**

Particulars	31st March, 2020	31st March, 2019
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**VIKAS MULTICORP LIMITED**
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<b>Security Deposits</b>		
Unsecured, Considered good	0.05	-
<b>Advances to Employees</b>	-	-
Unsecured, Considered good	-	0.14
<b>Total</b>	<b>0.05</b>	<b>0.14</b>

**15 Other Financial Assets**

Particulars	31st March, 2020	31st March, 2019
<b>Interest receivable</b>		
Unsecured, considered good from Others	5.79	4.20
<b>Other Receivables</b>	-	-
Unsecured, considered good	1.17	3.22
<b>Total</b>	<b>6.95</b>	<b>7.42</b>

**16 Other Assets**

Particulars	31st March, 2020	31st March, 2019
<b>Advance to Suppliers</b>	-	-
Advances to related parties	169.84	-
Advances to other than related parties	14.65	39.69
	-	-
Prepaid Expenses	1.05	0.39
<b>Statutory Receivables</b>	-	-
Unsecured, considered good	8.82	11.27
Unsecured, considered doubtful	-	3.27
<b>Total</b>	<b>194.35</b>	<b>54.62</b>



## 17 Share Capital

( Amount In Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Authorised Share Capital</b> 67,00,00,000 shares (March 31, 2018 67,00,00,000) Equity Shares of ₹ 1/- each	670.00	670.00
<b>Issued Share Capital:</b> 66,34,95,495 shares (March 31, 2018 66,34,95,495) Equity Shares of ₹ 1/- each	663.50	663.50
<b>Subscribed and fully paid up:</b> 66,34,95,495 shares (March 31, 2018 66,34,95,495) Equity Shares of ₹ 1/- each	663.50	663.50
	<b>663.50</b>	<b>663.50</b>

### (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Numbers of shares	Amount	Numbers of shares	Amount
Balance at the beginning of the period	66,34,95,495	663.50	66,34,95,495	663.50
Change in equity share capital during the period	-	-	-	-
Balance at the end of reporting period	66,34,95,495	663.50	66,34,95,495	663.50

### (ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2020		As at March 31, 2019	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Vinod Kumar Garg	6,79,41,720	10.24%	6,79,41,720	10.24%
Vikas Garg	15,93,76,309	24.02%	20,78,28,299	31.32%
Seema Garg	6,95,12,175	10.48%	7,06,12,175	10.64%
Best Agrolife Limited	3,83,21,019	5.78%	3,83,21,019	5.78%

### (iii) Terms / rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 1 per share. Every member holding equity shares therein shall have voting rights in proportion to his shares of the paid up equity share capital. The Company declares and pay dividend in Indian rupees.

In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**18 Other Equity**

		( Amount In Millions)	
Particulars		March 31, 2020	March 31, 2019
(a)	<b>Reserve and Surplus</b>		
	(i) Capital Reserve	59.80	59.80
	(ii) Security Premium	106.31	106.31
	(iii) Retained Earnings	49.58	35.61
		-	-
(b)	<b>Equity instruments at fair value through other comprehensive income</b>	-343.96	37.27
		-	-
	<b>Total other equity</b>	<b>-128.27</b>	<b>238.99</b>

**a) Reserve and Surplus**

**i) Capital Reserve**

Particulars	Amount
As at April1, 2018	59.80
Increase/(decrease) during the year	-
At March 31, 2019	59.80
Increase/(decrease) during the year	-
At March 31, 2020	59.80

**ii) Securities Premium**

Particulars	Amount
As at April1, 2018	106.31
Increase/(decrease) during the year	-
At March 31, 2019	106.31
Increase/(decrease) during the year -	-
At March 31, 2020	106.31

**iii) Retained earnings**

Particulars	Amount
As at April1, 2018	14.83
Add: Profit for the year	20.78
At March 31, 2019	35.61
Add: Profit for the year	13.97
At March 31, 2020	49.58

**(b) Equity Instruments through Other Comprehensive Income**

Particulars	Amount
As at April1, 2018	779.13
Changes in fair value of equity instruments at FVTOCI (net of tax)	-741.86
At March 31, 2019	37.27
Changes in fair value of equity instruments at FVTOCI (net of tax)	-381.43
Remeasurement of Defined benefit plans (net of tax)	0.20
At March 31, 2020	-343.96

**Capital Reserve**

The Company recognizes profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve

**Securities Premium Reserve**

Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium Reserves.

**Retained Earnings**

Retained Earnings are created from the profit / loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

**Equity instruments through other comprehensive income**

This reserve represent the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.

**VIKAS MULTICORP LIMITED****CIN: U25111DL1995PLC073719****NOTES FORMING PART OF THE FINANCIAL STATEMENTS****19 Borrowings**

( Amount In Millions)

**Financial Liabilities**

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Borrowings-Term loans - Secured*</b>		
a. From Non banking Financial institutions	34.50	37.97
<b>Borrowings- Unsecured</b>		
a. Loans from Related Parties		
- From Directors	8.89	34.70
b. Inter Corporate Deposits	11.57	10.97
	-	-
<b>Total</b>	<b>54.97</b>	<b>83.64</b>

\* The company has opted Moratorium facility which is announced by RBI due to COVID-19 pandemic With respect to payment of Instalments due in between March to August 2020

**Disclosure of repayment terms**

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Term Loans</b>		
<b>Secured (from Non Banking Financial Institutions)</b>		
Loans against vehicles		
1. Kotak Mahindra Finance Limited	0.41	0.91
2. Mini Finance Private Limited	0.35	1.69
<b>Secured (From Banks)</b>	-	-
1. HDFC Bank Limited	-	0.18
<b>Loan against Properties</b>	-	-
1. Tata Capital Housing Finance Limited	37.14	39.57
<b>Loan against Shares</b>	-	-
1. Anand Rathi Global Finance Limited	-0.07	50.57

**Secured loan from Non Banking Financial Institutions**

- Secured from NBFC Includes hypothecation against car from Mini Financial Services. The loan is repayable in 36 equal monthly installment of Rs. 1,18,675/- each. The Period of Maturity from the balance sheet date is three month.

- Secured from NBFC Includes hypothecation against cars TOYOTA from Kotak Mahindra Prime Limited. The loan is repayable in 36 equal monthly installment of Rs. 46,695/- each. The Period of Maturity from the balance sheet date is nine month.

- Secured from NBFC Includes loan against pledging of Shares of Vikas Ecotech Limited (Quoted Investment) from Anand Rathi Global finance Limited

- Secured from NBFC Includes hypothecation against two Properties at Goregaon, Maharashtra Tata Capital Housing Finance Limited. The loan is repayable in 120 equal monthly installment of Rs. 5,40,148/- each. The Period of Maturity from the balance sheet date is one hundred nine month.

**20 Provisions**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Gratuity	0.90	0.92
	-	-
<b>Total</b>	<b>0.90</b>	<b>0.92</b>

**VIKAS MULTICORP LIMITED****CIN: U25111DL1995PLC073719****NOTES FORMING PART OF THE FINANCIAL STATEMENTS****21 Other Liabilities**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deferred Finance Expenses	-	0.25
<b>Contract Liabilities</b>	-	-
Advance received from Customers	50.84	22.78
<b>Total</b>	<b>50.84</b>	<b>23.03</b>

**22 Borrowings****Financial Liabilities****(Amount in Rs.)**

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Borrowings (Secured)</b>		
a. From Banks*	347.21	253.97
b. From Non banking Financial institutions	3.33	54.78
<b>Total</b>	<b>350.54</b>	<b>308.75</b>

**Disclosure of repayment terms**

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Secured (From Banks)</b>		
<b>Working Capital Loans</b>		
Bank overdrafts and Cash Credit Facilities		
1. Punjab National Bank	107.68	-
2. State Bank of India	139.12	140.07
3. Union Bank of India	100.42	113.73
	-	-

**Secured loan from banks (Overdraft and Cash Credit)**

- Secured from Bank Includes Working Capital loan from Union Bank of India against Inventories, Fixed Deposits, Book Debts and Various immovable assets owned by directors and its relatives.
- Secured from Bank Includes Cash Credit Limit from State Bank of India hypothecation of stock and book receivables belonging of ONGC Petro Additions Limited.
- Secured from Bank Includes Cash Credit Limit from Punjab National Bank hypothecation against book receivables, ILC, FLC of Vikas multicorp Limited and immovable property owned by M/s Stepping Stone Constructions Private Limited.

**23 Trade Payables**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Total outstanding dues of micro & small enterprises	-	-
Total outstanding dues of creditors other than micro, & small enterprises	1,222.89	903.27
<b>Total</b>	<b>1,222.89</b>	<b>903.27</b>

- i) All Trade payables are non-interest bearing

**24 Other Financial Liabilities****(Amount in Rs.)**

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Security Deposit Received</b>	-	-
Unsecured, Considered good	2.14	-
	-	-
<b>Total</b>	<b>2.14</b>	<b>-</b>

- \* Security Deposit received against against rented Premises

**VIKAS MULTICORP LIMITED**  
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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**25 Other Liabilities**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Statutory dues	1.03	1.39
<b>Contract Liabilities</b>	-	-
Advance from customers	320.60	213.25
<b>Other Payables</b>	-	-
Salary & Wages payable	0.82	0.53
Expenses payable	0.73	2.97
<b>Total</b>	<b>323.18</b>	<b>218.14</b>

**26 Provisions**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Gratuity	0.90	0.92
	-	-
<b>Total</b>	<b>0.90</b>	<b>0.92</b>

**27 Current Tax Liabilities (Net)**

Particulars	31st March, 2020	31st March, 2019
Income Tax Payables	8.39	11.26
<b>Total (a)</b>	<b>8.39</b>	<b>11.26</b>
<b>Tax payable/Refundable</b>	-	-
Advance Tax	-	-
TDS Receivable	-2.14	-1.89
<b>Total (b)</b>	<b>-2.14</b>	<b>-1.89</b>
<b>Total (a) + (b)</b>	<b>6.25</b>	<b>9.37</b>

## 28 Revenue from operations

( Amount In Millions)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Sale of Products	1,530.27	2,132.71
Other Operating Revenues	-	-
DCA Commission Claimed	4.28	10.67
Settlement Income	17.00	14.85
	-	-
<b>Total</b>	<b>1,551.55</b>	<b>2,158.24</b>

## a. Reconciliation of revenue recognised with the Contracted Price is as follows

Particulars	March 31, 2020	March 31, 2019
Contracted Price	1,536.42	2,245.38
<b>Add/ (Less): Adjustments for :</b>	-	-
-Sales Return	-6.15	-112.67
<b>Sale of Products</b>	<b>1,530.27</b>	<b>2,132.71</b>

## 29 Other income

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest income	8.61	3.75
Commission Income	-	-
Consultancy Income	9.75	11.00
Dividend Income	-	2.06
Export Incentive	0.42	-
<b>Other Non Operating Income</b>	-	-
Profit on sale of Investment Properties	1.93	0.22
Profit/(Loss) on sales of Investments	-6.74	14.16
Rental Income	2.50	-
Share in Profit from Partnership Firm	13.88	2.43
<b>Total</b>	<b>30.34</b>	<b>33.61</b>

## 30 Cost of Material Consumed

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Opening Stock	137.38	70.72
Add : Purchases during the Year	1,296.07	661.58
Add: Operating Expenses	4.18	12.51
Less: Closing Stocks	209.83	137.38
<b>Total</b>	<b>1,227.81</b>	<b>607.43</b>

## 31 Purchase of Stock in Trade

(Amount in Rs.)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Purchases of Traded goods	203.85	1,483.44
Other Operating Expenses	8.42	11.24
<b>Total</b>	<b>212.27</b>	<b>1,494.69</b>

**a. Reconciliation of Purchase Price is as follows**

Particulars	March 31, 2020	March 31, 2019
Contracted Price	248.26	1,603.25
<b>Add/ (Less): Adjustments for :</b>	-	-
-Discounts	-37.15	-7.14
- Purchase Return	-7.26	-112.67
<b>Purchase of Products</b>	<b>203.85</b>	<b>1,483.44</b>

**32 Changes in inventories of finished goods and stock-in-trade**

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
<b><u>Inventories at the beginning of the year:</u></b>		
Finished goods of Traded Goods	69.45	58.05
Finished goods of Real Estate Division	19.06	19.56
	-	-
<b>Total (a)</b>	<b>88.51</b>	<b>77.61</b>
<b><u>Inventories at the end of the year:</u></b>		
Finished goods of Traded Goods	86.24	125.90
Finished goods of Real Estate Division	17.77	19.06
<b>Total (b)</b>	<b>104.01</b>	<b>144.96</b>
<b>Net increase</b>	<b>-15.50</b>	<b>-67.35</b>

**33 Employee benefit expense**

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Salaries and Wages	9.57	10.43
Contributions to provident and other funds	0.22	0.92
Staff welfare expenses	0.14	0.23
<b>Total</b>	<b>9.93</b>	<b>11.58</b>

**34 Finance costs**

(Amount in Rs.)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
<b>Interest</b>		
Interest on Term Loans	18.74	30.01
Interest on Working Capital Loans	28.70	23.23
<b>Other Interest</b>	-	-
Net interest on defined benefit plans	0.06	-
Interest on Income Tax	1.30	0.17
<b>Other Borrowing Costs</b>	-	-
Bank and other financial charges	1.30	8.68
<b>Total</b>	<b>50.11</b>	<b>62.10</b>

**35 Depreciation and amortisation expense**

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Depreciation on Property, Plant & Equipment	5.32	5.00
Depreciation on Investment Property	2.10	2.22
<b>Total</b>	<b>7.42</b>	<b>7.22</b>

**36 Other Expenses**

<b>Particulars</b>	<b>Year Ended March 31, 2020</b>	<b>Year Ended March 31, 2019</b>
Electricity and Fuel Expenses	0.67	0.42
Rent	1.26	1.57
Repairs - Plant & Machinery	0.12	0.33
Insurance	0.56	1.52
Communication	0.01	0.07
Travelling and Conveyance	0.33	1.52
Printing and Stationery	0.02	0.38
Freight and Forwarding	3.97	5.46
ROC Expenses	-	2.16
Fee and filing Exp	0.52	3.27
Security Expenses	0.67	0.25
GST Late Fee	0.25	0.38
Postage & Courier	0.05	0.13
Advertisement & Publicity Expenses	0.52	0.06
Legal and Professional Charges	4.54	3.49
Donation Expenses	0.05	1.49
Payments to Auditors	0.80	0.70
Foreign Exchange difference	5.78	-9.38
Allowances for expected credit loss	8.32	18.91
Balances written Off	24.08	23.81
Others	1.95	4.78
<b>Total</b>	<b>54.47</b>	<b>61.32</b>

**37 Exceptional items**

<b>Particulars</b>	<b>Year Ended March 31, 2020</b>	<b>Year Ended March 31, 2019</b>
Stock at Godown Loss by Fire	-10.33	-
Transitional credit under GST Pursuant to Demerger	-	14.70
	-	-
<b>Total</b>	<b>-10.33</b>	<b>14.70</b>

**38 a) Income Tax Expenses**

<b>Particulars</b>	<b>Year Ended March 31, 2020</b>	<b>Year Ended March 31, 2019</b>
Current Tax	8.39	11.26
Taxes of Previous Year	-0.61	2.67
Deferred Tax Charge/ Credit	3.31	-5.13
<b>Total</b>	<b>11.09</b>	<b>8.80</b>

**b) Income Tax recognised in Other Comprehensive Income**

<b>Particulars</b>	<b>Year Ended March 31, 2020</b>	<b>Year Ended March 31, 2019</b>
Current Income Tax on Re-measurement Losses on Defined Benefit Plans	-6,422.40	-
<b>Total Income Tax Expense Reported in the Statement of Profit or Loss</b>	<b>-6,422.40</b>	<b>-</b>

**39 Components of Other Comprehensive Income (OCI)**

<b>Particulars</b>	<b>Year Ended March 31, 2020</b>	<b>Year Ended March 31, 2019</b>
The Disaggregation of changes to OCI by each type of reserve in equity is :	-381.43	-741.86
Re-measurement gains (losses) on defined benefit plans	0.26	-
Deferred Tax (Charge)/Reversal	-0.06	-
<b>Total</b>	<b>-381.23</b>	<b>-741.86</b>



**40 Earnings per share**

Particulars	As at March 31, 2020	As at March 31, 2019
Profit attributable to equity share holders	13.97	20.78
Weighted number of equity shares outstanding during the year (Number in lakhs)	663.50	663.50
Par value per share ( in ₹ )	0.10	0.10
EPS :	-	-
Basic ( in ₹ )	0.00	0.00
Diluted ( in ₹ )	0.00	0.00

**41 Details of CSR expenditure as per Section 135 of Companies Act, 2013:**

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
	NA	NA

**42 Payments to the Auditors comprises**

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
For Statutory Audit	0.40	0.40
For Taxation Matters	0.30	0.30
For Others	0.10	-
<b>Total</b>	<b>0.80</b>	<b>0.70</b>

#### 43 Defined Benefit Obligation

( Amount In Millions)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Current	Non-current	Current	Non-current
Gratuity	0.12	0.78	0.13	0.78
	-	-	-	-
<b>Total</b>	<b>0.12</b>	<b>0.78</b>	<b>0.13</b>	<b>0.78</b>

#### A Disclosure of gratuity

(i) Amount recognised in the statement of profit and loss is as under:

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Current service cost	0.19	0.92
Net interest cost (income)	0.06	-
<b>Net impact on profit (before tax)</b>	<b>0.25</b>	<b>0.92</b>
Actuarial loss/(gain) recognised during the year	-0.26	-
<b>Amount recognised in total comprehensive income</b>	<b>-0.02</b>	<b>0.92</b>

(ii) Change in the present value of obligation:

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Present value of defined benefit obligation as at the beginning of the year</b>	<b>0.92</b>	<b>-</b>
Current service cost	0.19	0.92
Interest cost	0.06	-
Benefits paid	-	-
Actuarial loss/(gain)	-0.26	-
Past Service Cost	-	-
<b>Present value of defined benefit obligation as at the end of the year</b>	<b>0.90</b>	<b>0.92</b>

(iii) Reconciliation of present value of defined benefit obligation and the fair value of assets:

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Present value of funded obligation as at the end of the year	0.90	0.92
Fair value of plan assets as at the end of the period funded status	-	-
<b>Unfunded/funded net liability recognized in balance sheet</b>	<b>0.90</b>	<b>0.92</b>

(iv) **Breakup of actuarial (gain)/loss:**

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Actuarial (gain)/loss from change in demographic assumption	-	-
Actuarial (gain)/loss from change in financial assumption	0.03	-
Actuarial (gain)/loss from experience adjustment	-0.30	-
<b>Total actuarial (gain)/loss</b>	<b>-0.26</b>	<b>-</b>

(v) **Actuarial assumptions**

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Discount rate	6.60%	7.25%
Rate of increase in compensation levels	7.00%	7.00%
Withdrawal Rates	15% p.a. at all age	15% p.a. at all age
Retirement age	60 yrs.	60 yrs.

**Notes:**

- 1) The discount rate is based on the prevailing market yield of Indian Government bonds as at the balance sheet date
- 2) The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other

(vi) **Sensitivity analysis for gratuity liability**

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Impact of change in discount rate</b>		
Present value of obligation at the end of the year		
- Decrease due to increase of .5 %	0.87	0.89
- Increase' due to decrease of .5 %	0.93	0.94
<b>Impact of change in salary increase</b>	-	-
Present value of obligation at the end of the year	-	-
- Increase due to increase of .5 %	0.92	0.94
'- Decrease due to decrease of .5 %	-	-
<b>Impact of withdrawal rate</b>	-	-
-Withdrawal rate * 110 %	0.89	0.91
-Withdrawal rate * 90 %	0.90	0.92

The above sensitivity analysis is based on a change an assumption while holding all other assumptions constant. In The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to previous

(vii) **Maturity profile of defined benefit obligation**

Particulars	As at March 31, 2020	As at March 31, 2019
Within next 12 months	0	0
Between 1-5 years	0	0
Beyond 5 years	0	0

**B Defined Contribution Plan**

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Contribution to Provident and other funds	0.03	-
<b>Total</b>	<b>0.03</b>	<b>-</b>

#### **44 Related Party Disclosure**

- (i) The related parties as per terms of Ind AS-24, " related Party Disclosure" , ( specified under section 133 of the Companies Act , 2013, read with rule 7 of (Accounts) Rule , 2015) and Section 188 of Companies Act, 2013 are disclosed below :-

Related Parties with whom transactions have taken place during the year :

##### **(i) Key Management Personnel/Directors**

Mr. Vikas Garg (Managing Director)  
 Mr. Vivek Garg (Director) (appointed on 01.07.2019)  
 Mr. Kapil Gupta (Independent Director) (resigned on 07.06.2019)  
 Mr. Hari Bhagwan Sharma (Director) (resigned on 15.10.2019)  
 Ms. Anubhuti Mishra (Independent Director) (resigned on 09.07.2019)  
 Mr. Pankaj Kumar Gupta (Independent Director)  
 Ms. Meena (Independent Director) (appointed on 01.07.2019)  
 Ms. Richa Sharma (Director) (appointed on 12.02.2020)  
 Mr. Vijay Kumar Sharma (Director) (appointed on 12.02.2020)  
 Mr. Gaurav Agrawal (Company Secretary) (appointed on 23.10.2019)  
 Mr. Chandan Kumar (Chief Financial Officer, CFO)  
 Mr. Deepanshu Arora (Company Secretary) (resigned on 30.09.2019)

##### **(ii) Enterprises over which key management personnel and their relatives have significant influence:**

M/s Vikas Ecotech Limited (Common Director )  
 M/s Ketav Multicorp Private Limited (Common Director )  
 M/s Stepping Stone Construction Private Limited (Common Director )

##### **(iii) Key Management Personnel's and Director's relative**

Ms. Seema Garg (Relatives of KMP)  
 Mr. Vishal Jai Kumar Garg (Relatives of KMP)

##### **(iv) Terms and Conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

##### **(v). Revenues from transactions with a single customer exceeded 10% of the Company's sales in current as well as previous year**

Particulars	March 31, 2020	March 31, 2019
A J Impex	310.47	247.43
Bhardwaj Enterprises	335.64	43.76
Tanya Traders	94.33	282.17
Vikas Ecotech Limited	14.39	265.16
Kashvi Impex	275.98	25.84

( Amount In Millions)

(ii) Transaction with Related parties

Particulars	Directors		Enterprises in which Directors' relative are Interested		Key Management Personnel		Key Management Personnel's and Director's relative	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
<b>A) Transaction</b>								
<b>Director's Remuneration &amp; Perquisites</b>								
Hari Bhagwan Sharma	0.30	0.60	-	-	-	-	-	-
Meena Bansal	-	-	-	-	-	-	-	-
Viay Kumar Sharma	1.10	-	-	-	-	-	-	-
<b>Remuneration to Key Management Personnel</b>	-	-	-	-	-	-	-	-
Chandan Kumar	-	-	-	-	0.90	0.50	-	-
Gaurav Aggarwal	-	-	-	-	0.20	-	-	-
Deepanshu Arora	-	-	-	-	0.20	0.10	-	-
<b>Rent to Director's relative</b>	-	-	-	-	-	-	-	-
Seema Garg	-	-	-	-	-	-	0.30	0.30
Vivek Garg	0.30	0.30	-	-	-	-	-	-
<b>Purchase of Traded Goods</b>	-	-	-	-	-	-	-	-
M/s Vikas Ecotech Limited	-	-	147.30	44.80	-	-	-	-
M/s Ketav Multicorp Pvt Ltd	-	-	109.90	101.80	-	-	-	-
<b>Sales of Traded Goods</b>	-	-	-	-	-	-	-	-
M/s Vikas Ecotech Limited	-	-	14.40	265.20	-	-	-	-
<b>Professional Fee</b>	-	-	-	-	-	-	-	-
M/s Jha Gunjan & Associates	-	-	-	-	-	0.10	-	-
Vishal Jai Kumar Garg	-	-	-	-	-	-	1.20	-
<b>Loan Received</b>	-	-	-	-	-	-	-	-
Vikas Garg	-	-	-	-	11.50	34.60	-	-
<b>Loan Repaid</b>	-	-	-	-	-	-	-	-
Vikas Garg	-	-	-	-	37.30	-	-	-
<b>Capital Introduction</b>	-	-	-	-	-	-	-	-
M/s Ravi Crop Science	-	-	-	42.50	-	-	-	-
<b>Profit from Partnership Firm</b>	-	-	-	-	-	-	-	-
M/s Ravi Crop Science	-	-	13.90	2.40	-	-	-	-

VIKAS MULTICORP LIMITED  
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Transaction with Related parties Cont...

Particulars	Directors		Enterprises in which Directors' relative are Interested		Key Management Personnel		Key Management Personnel's and Director's relative	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
<b>(B) Balance outstanding as at the end of the year</b>	-	-	-	-	-	-	-	-
<b><u>Unsecured loan</u></b>	-	-	-	-	-	-	-	-
Vikas Garg	-	-	-	-	8.90	34.70	-	-
<b><u>Payable for Remuneration</u></b>	-	-	-	-	-	-	-	-
Hari Bhagwan Sharma	-	-	-	-	-	-	-	-
Chandan Kumar	-	-	-	-	0.10	0.10	-	-
Deepanshu Arora	-	-	-	-	-	-	-	-
Vijay Kumar Sharma	0.10	-	-	-	-	-	-	-
Gaurav Aggarwal	-	-	-	-	-	-	-	-
<b><u>Pavables</u></b>	-	-	-	-	-	-	-	-
M/s Vikas Ecotech Limited	-	-	-	182.50	283.50	-	-	-
M/s Ketav Multicorp Pvt Ltd	-	-	-	62.10	-	-	-	-
<b><u>Advances for supplies</u></b>	-	-	-	-	-	-	-	-
M/s Ketav Multicorp Pvt Ltd	-	-	-	-	169.80	-	-	-
<b><u>Payable for Rent</u></b>	-	-	-	-	-	-	-	-
Seema Garg	-	-	-	-	-	-	0.20	0.40
Vivek Garg	0.30	0.30	-	-	-	-	-	-
<b><u>Capital Balance</u></b>	-	-	-	-	-	-	-	-
M/s Ravi Crop Science	-	-	58.80	44.90	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-

Stepping stone constrution private limited has been given corporate guarantee and its immovable property situtated at G-22, Ground floor in the building known as Shree

\* Ghantakarna Mall in the village shaher Kotda, Taluka Maningar, Ahemdabad-380002 as security by way of equitable mortgage in favour of Punjab National Bank to secure credit facilities aggregating to Rs. 28 crore being availed by Vikas Multicorp limited.

**VIKAS MULTICORP LIMITED**  
**CIN: U25111DL1995PLC073719**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**45 Information on Segment Reporting pursuant to Ind AS 108 - Operating Segments Operating**

**segments:**

Real estate Division

Trading and Manufacturing Division

**Identification of segments:**

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss of the segment and is measured consistently with profit or loss in these financial statements. Operating segments have been identified on the basis of the nature of products.

**Segment revenue and results**

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

**Segment assets and liabilities:**

Assets used by the operating segments mainly consist of property, plant and equipment, trade receivables, cash and cash equivalents and inventories. Segment liabilities include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets/liabilities.

The measurement principles of segments are consistent with those used in preparation of these financial statements. There are no inter-segment transfers

( Amount In Millions)

Particulars	March 31, 2020	March 31, 2019
India	1,530	2,133
<b>Total</b>	<b>1,530</b>	<b>2,133</b>

**1. Revenue by nature of products**

Particulars	March 31, 2020	March 31, 2019
(a) Real estate Division	2	2
(b) Trading and Manufacturing Division	1,528	2,131
<b>Total</b>	<b>1,530</b>	<b>2,131</b>

**2. Segment Results before tax and interest**

Particulars	March 31, 2020	March 31, 2019
(a) Real estate Division	0.71	1.30
(b) Trading and Manufacturing Division	44.12	56.76
<b>Sub Total</b>	<b>44.83</b>	<b>58.06</b>
Less: Finance Cost	50.11	62.10
Add: Other Income	30.34	33.61
<b>Profit before tax</b>	<b>25.06</b>	<b>29.57</b>
Less: Tax expenses	-11.09	-8.80
<b>Net profit for the year</b>	<b>13.97</b>	<b>20.78</b>
<b>3. Capital Employed</b>	<b>590.19</b>	<b>986.13</b>

**4. Segment Assets and Liabilities**

Particulars	March 31, 2020	March 31, 2019
(a) Real estate Division (Assets)	17.77	19.06
Real estate Division (Liabilities)	-	-
(b) Trading and Manufacturing Division (Assets)	2,529.17	2,430.55
Trading and Manufacturing Division (Liabilities)	2,011.71	1,547.12

46 Fair value disclosures

Fair values

( Amount In Millions)

i) hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are divided 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 maximise 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 is not based on observable market data, the instrument is included in level 3.

Financial assets and liabilities measured at fair value - recurring fair value measurements

As at March 31, 2020	Level 1	Level 2	Level 3	Total
<b>Assets at fair value</b>				
Investments measured at fair value through other comprehensive Income	40.60	-	-	40.60
Investments measured at fair value through profit and loss	-	-	-	-
<b>Total</b>	<b>40.60</b>	<b>-</b>	<b>-</b>	<b>40.60</b>

As at March 31, 2019	Level 1	Level 2	Level 3	Total
<b>Assets at fair value</b>				
Investments measured at fair value through other comprehensive Income	435.09	-	-	435.09
Investments measured at fair value through profit and loss	-	-	-	-
<b>Total</b>	<b>435.09</b>	<b>-</b>	<b>-</b>	<b>435.09</b>

Valuation process and technique used to determine fair value

The fair value of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(ii) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>				
Investment	58.81	58.81	44.93	44.93
Loans	18.05	18.05	18.14	18.14
Trade receivables	1,762.27	1,762.27	1,438.59	1,438.59
Cash & cash equivalents	2.17	2.17	15.45	15.45
Other financial assets	50.46	50.46	50.53	50.53
<b>Total financial assets</b>	<b>1,891.77</b>	<b>1,891.77</b>	<b>1,567.64</b>	<b>1,567.64</b>
<b>Financial liabilities</b>				
Borrowings	405.51	405.51	392.39	392.39
Trade Payables	1,222.89	1,222.89	903.27	903.27
Other Financial Liabilities	2.14	2.14	-	-
<b>Total financial liabilities</b>	<b>1,630.54</b>	<b>1,630.54</b>	<b>1,295.66</b>	<b>1,295.66</b>



the management assessed that cash and cash equivalents, other bank balances, trade receivables, trade payables, short term borrowings and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair value

All long term borrowing facilities availed by the Company are variable rate facilities which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

#### 47 Financial risk management

##### i) Financial instruments by category

Particulars	As at March 31, 2020			As at March 31, 2019		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
<b>Financial assets</b>						
Investments	-	40.60	58.81	-	435.09	44.93
Other financial assets	-	-	50.46	-	-	50.53
Trade receivables	-	-	1,762.27	-	-	1,438.59
Cash and cash equivalents	-	-	2.17	-	-	15.45
Loan	-	-	18.05	-	-	18.14
<b>Total</b>	-	<b>40.60</b>	<b>1,891.77</b>	-	<b>435.09</b>	<b>1,567.64</b>
<b>Financial</b>						
Borrowings	-	-	405.51	-	-	392.39
Trade payables	-	-	1,222.89	-	-	903.27
Other financial liabilities	-	-	2.14	-	-	-
<b>Total</b>	-	-	<b>1,630.54</b>	-	-	<b>1,295.66</b>

#### Risk

##### ii) 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.

Risk	Exposure arising from	Measurement
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis

##### 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 amortised cost, and
- deposits with banks

#### Credit risk

##### a) management

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 characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- (a) Low credit risk                      (b) Moderate credit risk                      (c) High credit risk



**Assets under credit risk –**

Credit rating	Particulars	As at March 31, 2020	As at March 31, 2019
A: Low	Investments	99.41	480.02
	Other financial assets	50.46	50.53
	Cash and cash equivalents	2.17	15.45
	Trade receivables	1,162.37	1,350.47
B: Moderate Credit Risk		-	-
	Trade receivables	599.90	88.13

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 and other financial assets

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

Expected credit loss for trade receivables:

The Company based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss.

Loan & Other financial assets measured at amortised cost includes security deposits, fixed deposits loan to related parties and others. 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.

**(i) Provision for Expected Credit losses**

As at March 31, 2020	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	2.17	-	2.17
Investment	58.81	-	58.81
Loans	18.05	-	18.05
Trade receivables	1,789.49	27.22	1,762.27
Other financial assets	50.46	-	50.46

As at March 31, 2019	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	15.45	-	15.45
Investment	44.93	-	44.93
Loans	18.14	-	18.14
Trade receivables	1,457.50	18.91	1,438.59
Other financial assets	50.53	-	50.53

**B) Liquidity risk**

Liquidity risk is the risk that the Company may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral obligations. The Company requires funds both for short term operational needs as well as for long term investment programs mainly in growth projects. The Company closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

**a) Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

<b>Floating rate</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
- Expiring within one year (cash credit and other facilities- fixed rate)	350.54	308.75
- Expiring beyond one year (bank loans - floating rate)	54.97	83.64
<b>Total</b>	<b>405.51</b>	<b>392.39</b>

**b) Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity. Company's based on their contractual maturities for all non-derivative 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.

<b>As at March 31, 2020</b>	<b>Less than 1 year</b>	<b>1-3 year</b>	<b>3-5 year</b>	<b>More than 5 years</b>	<b>Total</b>
Borrowings	350.54	0.69	-	37.14	388.37
Trade payable	-	1,222.89	-	-	1,222.89
Other financial liabilities	-	-	2.14	-	2.14
<b>Total</b>	<b>350.54</b>	<b>1,223.58</b>	<b>2.14</b>	<b>37.14</b>	<b>1,613.40</b>

<b>As at March 31, 2019</b>	<b>Less than 1 year</b>	<b>1-3 year</b>	<b>3-5 year</b>	<b>More than 5 years</b>	<b>Total</b>
Borrowings	308.75	53.35	-	30.29	392.39
Trade payable	-	903.27	-	-	903.27
	-	-	-	-	-
<b>Total</b>	<b>308.75</b>	<b>956.62</b>	<b>-</b>	<b>30.29</b>	<b>1,295.66</b>

Impact of Covid 19 pandemic- Based on recent trends observed, profitability, cash generation, cash surpluses held and borrowing lines available, the Company does not envisage any material liquidity risks. Future outlook will depend on how the pandemic develops and the resultant impact on businesses.

**C) Market Risk**
**a) Interest rate risk**
**i) Liabilities**

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At March 31, 2019, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
Variable rate borrowing	385.05	381.42
Fixed rate borrowing	11.57	10.97
<b>Total borrowings</b>	<b>396.62</b>	<b>392.39</b>
<b>Amount disclosed under other current financial liabilities</b>	<b>-</b>	<b>-</b>
<b>Amount disclosed under borrowings</b>	<b>396.62</b>	<b>392.39</b>

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
<b>Interest sensitivity*</b>		
Interest rates – decrease by 100 bps*	-3.97	-3.92
Interest rates – increase by 100 bps*	3.97	3.92

\* Holding all other variables constant

**C) Foreign Currency Risk**

Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in exchange rates of any currency. The Company's exposure to the risks of changes in foreign exchange rates relates primarily to the Trade Payables and Trade Receivables in the Foreign Countries.

Impact of Covid 19 pandemic- The pandemic can cause continuing volatility in the currency market and this risk would be mitigated through effective hedging policies. Further, the Company basis the recent trends believe that the probability of the non-occurrence of forecasted transactions is minimal. The Company also does not expect any material deterioration in both counterparty credit risk and own credit risk. Accordingly, the Group continues to believe that there is no impact on effectiveness of its hedges. Future outlook would depend on how the pandemic develops and the resultant impact on businesses.

**D) Competition and Price Risk**

The Company faces competition from competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

**48 Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

The Company's policy is to keep the gearing ratio optimum. The Company includes within net debt, interest bearing term loans and working capital borrowings.

**(a) Debt equity ratio**

Particulars	As at March 31, 2020	As at March 31, 2019
Net debt	397	392
Total equity	535	902
Net debt to equity ratio	0.07	0.04

**49 Assets pledged as security**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Current</b>		
Inventories	285.53 -	263.29
Trade Receivables	1,762.27 -	1,350.47
<b>Total current assets pledged as security</b>	<b>2,047.80 -</b>	<b>1,613.75</b>
<b>Non-current</b>		
Property, Plant and Equipments	4.48 -	6.04
Investment Property	65.95 -	42.22
Investments	40.60 -	435.09
<b>Total non-currents assets pledged as security</b>	<b>106.55 -</b>	<b>477.32</b>
<b>Total assets pledged as security</b>	<b>2,154.36 -</b>	<b>2,091.07</b>

**50 Disclosure pursuant to section 186(4) of The Companies Act, 2013**

(a) Details of Investments made are given under Note no. 5

(b) Details of loan are given below:

Particulars	As at March 31, 2020	As at March 31, 2019
	NA	NA

**51 Revenue related disclosures**

The company has adopted Ind AS 115 "revenue from contracts with customers" from April 01, 2018 (modified retrospective approach) which resulted in changes in accounting policies but no consequential adjustment to the amounts recognised in the financial statements.

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
<b>Revenue from contracts with customers</b>		
<b>(i) Sale of products*</b>		
(a) Sale of products	1,530	2,133
(b) Sale of services	-	-
<b>(ii) Other operating income</b>	4	11
<b>Total revenue covered under Ind AS 115</b>	<b>1,535</b>	<b>2,143</b>

**A Contract balances**

The following table provides information about receivables and contract liabilities from contract with customers:

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Contract liabilities</b>		
Advance received from customers	321	213
<b>Total contract liabilities</b>	<b>321</b>	<b>213</b>
<b>Receivables</b>		
Trade receivables	1,762	1,439
<b>Total receivables</b>	<b>1,762</b>	<b>1,439</b>

Receivable is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance.

- B** The Company has applied Ind AS 115 prospectively from April 01, 2018 and the adoption of this standard did not have a material impact on the financial statements of the Company.

**VIKAS MULTICORP LIMITED**
**CIN: U25111DL1995PLC073719**
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**
**52 Disclosure pursuant to Ind AS 1/ Ind AS 8 are given below:**

( Amount In Millions)

Particulars	As at March 31, 2019 (Published)	As at March 31, 2019 (Reclassified)	Nature
<b>ASSETS</b>			
Financial assets- Investments-Non Current	477.59	480.02	Reclassification Items
Financial assets- Trade Receivables-Non Current	-	88.13	Reclassification Items
Financial assets- Loans- Non Current	-	18.00	Reclassification Items
Financial assets- Deposits with Banks- Non Current	-	43.11	Reclassification Items
Other non-current assets	18.93	26.63	Reclassification Items
Financial assets- Trade Receivables- Current	1,438.59	1,350.47	Reclassification Items
Financial assets- Other Bank Balances	45.60	-	Reclassification Items
Financial assets- Loans- Current	-	0.14	Reclassification Items
Other financial assets- Current	-	7.42	Reclassification Items
Other current assets	85.39	54.62	Reclassification Items
<b>EQUITY AND LIABILITIES</b>	-	-	
Other Equity	237.48	238.99	Reclassification Items
Other Non current liabilities	-	23.03	Reclassification Items
Provisions-Non Current	-	0.78	Reclassification Items
Financial Liabilities- Other financial liabilities- Current	0.25	-	Reclassification Items
Other Current Liabilities	240.93	218.14	Reclassification Items
Provisions-Current	-	0.13	Reclassification Items
Current Tax Liabilities	9.37	-	Reclassification Items

Particulars	As at March 31, 2019 (Published)	As at March 31, 2019 (Reclassified)	Nature
<b>Income</b>			
Other Income	40.56	33.61	Reclassification Items
<b>Expenses</b>	-	-	
Material consumed	-	607.43	Reclassification Items
Purchase of Stock in Trade	2,168.78	1,494.69	Reclassification Items
Employee Benefits Expense	10.67	11.58	Reclassification Items
Finance Costs	61.93	62.10	Reclassification Items
Other expenses	70.87	61.32	Reclassification Items

**Note:**

- (i) The above reclassification in the previous year's published numbers have been made for better presentation in the financial statements and to conform to the current year classification/disclosure. This does not have any impact on the profit and loss, hence no change in the basic and diluted earnings per share of previous year.

**53 Lease**

The Company's leasing arrangements are in respect of operating leases for premises (residential, office, factory, godown, etc.) and motor cars. These range between 5 months - 15 years and usually renewable on mutually agreed terms.

The schedule of future minimum lease rental payments in respect of non-cancellable operating leases is set out below:

Particulars	As at March 31, 2020	As at March 31, 2019
Payable not later than 1 year	1.31	1.26
Payable later than 1 year but not later than 5 years	-	-
Payable later than 5 years	-	-

**Amount Recognised in Statement of Profit and Loss**

Particulars	As at March 31, 2020	As at March 31, 2019
Expenses relating to Short-term Lease	1.26	1.57

**Adoption of Ind AS-116 Leases**

The Company has adopted Ind AS 116, effective from April 1, 2019 and applied the standard to its leases retrospectively.

The cumulative effect of initially applying the standard was recognised on April 1, 2019 as an adjustment to the retained earnings. All lease liabilities are short term and payable not more than 1 year and all lease liability recognised in profit and loss account.

**54 Expected Credit Loss**

Movement in each class of provision made during the financial year are as under:

Allowances for Expected Credit Loss	Amount
<b>As at April 1, 2018</b>	
Additional Provision during the year	18.91
Amount used during the period	-
<b>As at March 31, 2019</b>	<b>18.91</b>
Additional Provision during the year	8.32
Amount used during the period	-
<b>As at March 31, 2020</b>	<b>27.22</b>

**55 Contingent liabilities and Commitments (to the extent not provided for)****Contingent liabilities**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Claims against the company not acknowledged as debts</b>		
1. Under Tax laws*	5.11	0.60
2. Custom Duty**	8.84	5.37
3. Bank Guarantees issued by the bank on behalf of the company***	27.00	27.00

\* Income Tax dispute for the A.Y. 2016-17 amounting to Rs. 604220/- pending at ITAT, Delhi Authority and Pending dispute for the A.Y. 2017-18 to Rs. 4503140/- at CIT(A), Delhi.

\*\* The Company is contingently liabilities on export obligation dues

\*\*\* Above figures are stated without considering margin money given by the company, for margin money details please refer Note No. 8



**55 Contingent liabilities and Commitments (Continued)**

(Amount in Rs.)

**Commitments**

Particulars	As at March 31, 2020	As at March 31, 2019
As per Partnership Deed dated 11th Oct, 2018 registered in Jammu and Kashmir company have mutually agreed with other partners to contribute for capital of partnership firm amounting to Rs. 25,00,00,000/- for the 90% share of Profit/Loss of the Partnership Firm w.e.f. 01st Oct, 2018 (net of amount investment as per Note 4 (B) )	207.50	207.50
<b>Total</b>	<b>207.50</b>	<b>207.50</b>

**56 Micro, Small & Medium Enterprises :-**

The information as required to be disclosed in relation to Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	As at March 31, 2020	As at March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	-	-
Principal	-	-
Interest	-	-
The amount of interest paid by the buyer in terms of section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act) along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act.	-	-

**57 Approval of standalone financial statements**

The standalone financial statements were approved for issue by the Board of Directors of the Company on 25 June 2020 subject to approval of shareholders.

As per our report of even date attached  
for GOYAL NAGPAL & CO.

Chartered Accountants  
FRN: 018289C

For and on behalf of the Board of Directors

(CA Neeraj Goyal)  
Partner  
M.No. 416000  
Date: 25-06-2020  
Place: Delhi  
UDIN : 20416000AAAABH1984

Vivek Garg  
Managing Director  
DIN : 00255443

Vijay Kumar Sharma  
Whole time Director & CEO  
DIN : 08721833

Chandan Bhardwaj  
Chief Financial Officer

Gaurav Aggarwal  
Company Secretary

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF VIKAS MULTICORP LIMITED**

#### **Report on the Audit of Standalone Financial Statements**

##### **Opinion**

We have audited the accompanying standalone financial Statements of VIKAS MULTICORP LIMITED ('the Company'), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the standalone financial statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules 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 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

- During the year company has acquired high volume " Recycled Compounds and Trading Division" Pursuant to demerger of trading unit of M/s Vikas Ecotech Limited w.e.f. 01.04.2017 in terms of order dated 06th November, 2018 issued by Hon'ble National Company Law Tribunal. Sales/purchase and expenses of demerged unit has been allocated as per Note No. 2.1.3.

- Company has entered as partner in partnership business carried on under name & style M/s Ravi Crop Science. Share of profit of the company in profits of said firm has not been included in these financial results as per Note No. 2.18.

- Major Fire happened in the Godown at Rajasthan of the company. It has come to our notice that there has significant loss of stock in the fire but exact value has yet not been determined.

- Closing Inventories in Real estate division as per Note No. 6 has been value at cost. As per Indian Accounting standard-2 value of said property was required to be reported at lower of cost or Net realizable value but in absence of authenticated Net Realizable value figure said properties has been valued at cost.

### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

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 and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material

misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances,

we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143 (3) of the Act, based on our audit 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, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- (d) In our opinion, the aforesaid Ind AS standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on April 01, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:  
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 Auditor’s 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 explanations given to us:
  - i. There Company does not have any pending litigations as at March 31, 2019 which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **GOYAL NAGPAL & CO.**  
Chartered Accountants  
(FRN.018289C)

Place: New Delhi  
Date: April 27, 2019

CA Virender Nagpal  
Partner  
Membership Number: 416004

## **“Annexure A” to Independent Auditors’ Report**

**(Annexure A to the Independent Auditor’s Report of even date on the standalone of VIKAS MULTICORP LIMITED of even date)**

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

We have audited the internal financial controls over financial reporting of **M/S VIKAS MULTICORP LIMITED** (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, 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 over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are

recorded as necessary to permit preparation of 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.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **GOYAL NAGPAL & CO.**  
Chartered Accountants  
(FRN.018289C)

Place: New Delhi  
Date: April 27, 2019

CA Virender Nagpal  
Partner  
Membership Number: 416004



## **“Annexure B” to Independent Auditors’ Report**

### **(Annexure B Referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date)**

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner 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 fixed assets 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.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided tous, we report that, the title deeds, comprising all the immovable properties of land and buildings which are free hold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.
- ii. In respect of the Company’s Inventories:
  - (a) The management of the Company has conducted the physical verification of inventory at reasonable intervals during the year.
  - (b) The procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and nature of its business. The Company has maintained proper records of inventory and no material discrepancies were noticed on physical verification
  - (c)
- iii. The Company has not granted any loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 (‘the Act’).
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposit) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the order are not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is not regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, GST and other material statutory dues with the appropriate authorities.

- (b) According to the records of the company, the dues outstanding of employees' state insurance, income-tax, sales-tax, duty of custom, duty of excise, goods and service tax, Cess and other statutory dues ,on account of any dispute are as follows

S. No.	Period of Demand	Amount Involved	Particulars of Demand	Appeal Pending before
1.	AY 2016-17	Rs. 6,04,919	Income Tax Case	CIT (A) Delhi

- viii. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all 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. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **GOYAL NAGPAL & CO.**  
Chartered Accountants  
(FRN.018289C)

Place: New Delhi  
Date: April 27, 2019

CA Virender Nagpal  
Partner  
Membership Number: 416004

**Vikas Multicorp Limited**  
**(Formerly Known as Moonlite Technochem Private Limited) CIN**  
**NO.: U25111DL1995PLC073719**  
G-1, 34/1, East Punjabi Bagh, New Delhi - 110026  
**Balance Sheet as at March 31, 2020**

		(Rs. In Millions)		
Particulars	Notes	March 31, 2019	March 31, 2018	April 01, 2017
<b>I. ASSETS</b>				
<b>1 Non - Current Assets</b>				
Property, plant and equipments	3(a)	35.46	31.68	4.45
Investment Property	3(b)	42.22	44.44	46.72
Other Intangible Assets	3(c)	-	-	0.71
Financial assets		-	-	-
(i) Investments	4	477.59	1,208.23	858.31
Other Non-Current Assets	5	18.93	9.07	1.24
Deferred Tax Assets (Net)	16	5.59	0.46	0.72
		<b>579.81</b>	<b>1,293.88</b>	<b>912.16</b>
<b>2 Current Assets</b>				
Inventories	6	282.85	148.33	30.29
Financial Assets		-	-	-
(i) Trade receivables	7	1,438.59	1,126.89	273.90
(ii) Cash and cash equivalents	8	15.45	1.24	1.47
(iii) Bank balances other than (ii) above	8	45.60	8.45	12.97
Other Current Assets	5	84.89	59.16	47.38
		<b>1,867.37</b>	<b>1,344.06</b>	<b>366.00</b>
<b>Total Assets</b>		<b>2,447.18</b>	<b>2,637.94</b>	<b>1,278.16</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>1 Equity</b>				
Equity Share Capital	9	663.50	663.50	303.40
Other Equity	10	237.48	960.08	659.74
		<b>900.97</b>	<b>1,623.57</b>	<b>963.14</b>
<b>2 Liabilities</b>				
<b>Non - Current Liabilities</b>				
Financial Liabilities		-	-	-
(i) Borrowings	11	83.64	1.44	1.19
(ii) Others	12	-	-	-
		<b>83.64</b>	<b>1.44</b>	<b>1.19</b>
<b>Current Liabilities</b>				
Financial Liabilities		-	-	-
(i) Borrowings	11	308.75	198.89	173.29
(ii) Trade payables	13	903.27	636.01	115.98
(iii) Others	12	0.25	-	-
Other Current Liabilities	14	240.93	171.44	23.21
Current Tax Liabilities (Net)	15	9.37	6.60	1.35
		<b>1,462.56</b>	<b>1,012.93</b>	<b>313.83</b>
<b>Total Equity and Liabilities</b>		<b>2,447.18</b>	<b>2,637.94</b>	<b>1,278.16</b>

Significant accounting policies

1-2

The accompanying notes 1 to 41 form an integral part of the standalone financial statements.

As per our report of even date

As per our report of even date

For Goyal Nagpal & Co.

Chartered Accountants Firm

Regn. No.018289C

CA Virender Nagpal

Partner

Membership No. 416004

Place: New Delhi

Dated: April 27, 2019

For and on behalf of the Board of

Vikas Multicorp Limited

Hari Bhagwan Sharma

Director

(DIN: 02542653)

Vikas Garg

Managing Director

(DIN: 00255413)

Deepanshu Arora

(Company Secretary)

M. No. ACS-44595

Chandan Kumar

(Chief Financial Officer)

**Vikas Multicorp Limited**  
**(Formerly Known as Moonlite Technochem Private Limited) CIN**  
**NO.: U25111DL1995PLC073719**  
**G-1, 34/1, East Punjabi Bagh, New Delhi - 110026 Statement of**  
**profit and loss for the year ended March 31, 2019**

		(Rs. In Millions)	
Particulars	Notes	March 31, 2019	March 31, 2018
I Revenue from operations	17	2,158.24	1,953.52
II Other income	18	40.56	55.42
<b>III Total revenue (I + II)</b>		<b>2,198.80</b>	<b>2,008.94</b>
<b>IV Expenses:</b>			
Purchase of Stock in trade	19	2,168.78	1,895.73
Change in inventories	20	(134.02)	(43.00)
Employees benefit expenses	21	10.67	16.93
Finance cost	22	61.93	67.14
Depreciation and amortisation expenses	23	7.22	8.05
Other expenses	24	56.17	42.40
<b>Total expenses (IV)</b>		<b>2,170.74</b>	<b>1,987.25</b>
<b>V Profit before Eceptional Items and Tax (III - IV)</b>		<b>28.06</b>	<b>21.69</b>
<b>VI Exceptional items</b>	25	-	-
<b>VII Profit before Tax (V+VI)</b>		<b>28.06</b>	<b>21.69</b>
<b>VIII Tax expense:</b>			
Current tax	26	11.26	6.60
Deferred Tax	17	(5.13)	0.26
Taxes of Previous Year		2.67	-
<b>Total tax expense (VIII)</b>		<b>8.80</b>	<b>6.86</b>
<b>IX Profit for the year (VII - VIII)</b>		<b>19.26</b>	<b>14.83</b>
<b>X Other comprehensive Income (OCI)</b>			
(i) Items that will not be classified to Profit & Loss		(741.86)	349.91
(ii) Tax relating to items that will not be reclassified to profit or loss		-	-
(i) Items that will be classified to Profit & Loss		-	-
(ii) Tax relating to items that will be reclassified to profit or loss		-	-
<b>XI Total Other comprehensive income for the year</b>		<b>(741.86)</b>	<b>349.91</b>
<b>XII Total comprehensive income / (loss) for the year</b>		<b>(722.60)</b>	<b>364.74</b>
<b>XIII Earnings per share (of Rs. 1 each):</b>			
Basic	27	0.029	0.022
Diluted	27	0.029	0.025

Significant accounting policies

1-2

The accompanying notes 1 to 41 form an integral part of the standalone financial statements.

As per our report of even date  
**For Goyal Nagpal & Co.**  
Chartered Accountants  
Firm Regn. No.018289C

**CA Virender Nagpal**  
Partner  
Membership No. 416004

Place: New Delhi  
Dated: April 27, 2019

For and on behalf of the Board of  
**Vikas Multicorp Limited**

**Hari Bhagwan Sharma**  
Director  
(DIN: 02542653)

**Vikas Garg**  
Managing Director  
(DIN: 00255413)

**Deepanshu Arora**  
(Company Secretary)  
M. No. ACS-44595

**Chandan Kumar**  
(Chief Financial Officer)

**Vikas Multicorp Limited**  
**(Formerly Known as Moonlite Technochem Private Limited) CIN**  
**NO.: U25111DL1995PLC073719**  
**G-1, 34/1, East Punjabi Bagh, New Delhi - 110026**

**Statement of changes in equity for the year ended March 31, 2019**

**A. Equity share capital**

Equity shares of Rs. 1 each issued, subscribed and fully paid up

(Rs. In Millions)

As at April 1, 2017	303.40
Changes in equity share capital	360.09
<b>As at March 31, 2018</b>	<b>663.50</b>
Changes in equity share capital	-
<b>As at March 31, 2019</b>	<b>663.50</b>

**B. Other equity**

(Rs. In Millions)

Particulars	Reserves and surplus				Other comprehensive Income (OCI)	Total other equity
	Special Reserve	Capital Reserve	Security Premium	Retained earnings	Equity Instruments through OCI	
<b>Balance as at April 1, 2017</b>	-	2.85	198.59	29.09	429.22	659.74
Add: Profit for the year	-	-	-	14.83	-	14.83
Add: Fair Value of Equity Instruments through OCI (net of Income Tax)	-	-	-	-	349.91	349.91
Add: Capital Reserve in consequent to Demerger of Vikas Ecotech Limited with the company	-	56.96	-	-	-	56.96
Less :Surplus utilised for Bonus share	-	-	(92.27)	(29.09)	-	(121.36)
Current year transfer	-	-	-	-	-	-
<b>Balance as at March 31, 2018</b>	-	59.80	106.31	14.83	779.13	960.08
Add: Profit for the year	-	-	-	19.26	-	19.26
Less :Fair Value of Equity Instruments through OCI (net of Income Tax)	-	-	-	-	(741.86)	(741.86)
<b>Balance as at March 31, 2019</b>	-	59.80	106.31	34.09	37.27	237.48

Significant accounting policies

1-2

The accompanying notes 1 to 41 form an integral part of the standalone financial statements.

**As per our report of even date**

**For Goyal Nagpal & Co.**

Chartered Accountants Firm

Regn. No.018289C

**For and on behalf of the Board of**

**Vikas Multicorp Limited**

**CA Virender Nagpal**

Partner

Membership No. 416004

**Hari Bhagwan Sharma**

Director

(DIN: 02542653)

**Vikas Garg**

Managing Director

(DIN: 00255413)

**Deepanshu Arora**

(Company Secretary)

M. No. ACS-44595

**Chandan Kumar**

(Chief Financial Officer)

Place: New Delhi

Dated: April 27, 2019

Note 3(a) - Property plant and equipment

(Rs. in Millions)

Particulars	Building	Furniture, Fitting and equipments	Plant and Machinery	Computers	Motor Vehicles	Total
<b>Year ended 31st March 2018</b>						
Gross carrying amount						
Deemed cost as at 1st April 2017	3.75	0.73	0.19	0.04	9.61	14.33
	-	-	-	-	-	-
Additions	12.84	0.04	12.76	-	6.93	32.56
	-	-	-	-	-	-
Disposals	-	-	-	-	1.26	1.26
<b>Closing gross carrying amount</b>	<b>16.59</b>	<b>0.76</b>	<b>12.95</b>	<b>0.04</b>	<b>15.29</b>	<b>45.63</b>
	-	-	-	-	-	-
Accumulated depreciation	3.03	0.61	0.18	0.04	5.30	9.16
Opening Accumulated depreciation	-	-	-	-	-	-
Depreciation during the year	0.76	0.05	2.41	0.00	2.55	5.77
	-	-	-	-	-	-
Disposals	-	-	-	-	0.99	0.99
Profit on disposal of assets	-	-	-	-	0.01	0.01
<b>Closing accumulated depreciation</b>	<b>3.79</b>	<b>0.66</b>	<b>2.59</b>	<b>0.04</b>	<b>6.86</b>	<b>13.96</b>
	-	-	-	-	-	-
<b>Net carrying amount 31.03.2018</b>	<b>12.80</b>	<b>0.11</b>	<b>10.36</b>	<b>0.00</b>	<b>8.42</b>	<b>31.68</b>
	-	-	-	-	-	-
<b>Year ended 31st March 2019</b>						
	-	-	-	-	-	-
Gross carrying amount	-	-	-	-	-	-
Opening gross carrying amount	16.59	0.76	12.95	0.04	15.29	45.63
	-	-	-	-	-	-
Additions	-	0.02	8.99	-	-	9.01
	-	-	-	-	-	-
	-	-	-	-	-	-
Disposals	-	-	-	-	1.76	1.76
<b>Closing gross carrying amount</b>	<b>16.59</b>	<b>0.78</b>	<b>21.94</b>	<b>0.04</b>	<b>13.53</b>	<b>52.89</b>
	-	-	-	-	-	-
Accumulated depreciation	3.79	0.66	2.59	0.04	6.86	13.96
	-	-	-	-	-	-
Opening accumulated depreciation	3.79	0.66	2.59	0.04	6.86	13.96
	-	-	-	-	-	-
Depreciation charge during the year	0.78	0.02	2.06	0.00	2.14	5.00
	-	-	-	-	-	-
Disposals	-	-	-	-	1.75	1.75
	-	-	-	-	-	-
Profit on disposal of assets	-	-	-	-	0.22	0.22
<b>Closing accumulated depreciation</b>	<b>4.57</b>	<b>0.67</b>	<b>4.65</b>	<b>0.04</b>	<b>7.47</b>	<b>17.43</b>
	-	-	-	-	-	-
<b>Net Carrying amount 31.03.2019</b>	<b>12.01</b>	<b>0.11</b>	<b>17.29</b>	<b>0.00</b>	<b>6.06</b>	<b>35.46</b>

## 3(b) - Investment Properties

(Rs. In Millions)

Particulars	Building
<b>Year ended 31st March 2018</b>	
<b>Gross carrying amount</b>	
Deemed cost as at 1st April 2017	46.72
Additions	-
<b>Closing gross carrying amount</b>	<b>46.72</b>
<b>Accumulated depreciation</b>	
Depreciation during the year	2.28
Assest included in a disposal group classified as held for sale	-
<b>Closing accumulated depreciation</b>	<b>2.28</b>
<b>Net carrying amount 31.03.2018</b>	<b>44.44</b>
<b>Year ended 31st March 2019</b>	
<b>Gross carrying amount</b>	
Opening gross carrying amount	44.44
Additions	-
Assets classified as held for sale	44.44
<b>Closing gross carrying amount</b>	<b>44.44</b>
<b>Accumulated depreciation and Impairment</b>	
Depreciation charge during the year	2.22
Profit on disposal of assets	-
<b>Closing accumulated depreciation and Impairment</b>	<b>4.50</b>
<b>Net Carrying amount 31.03.2019</b>	<b>42.22</b>

Note 3(C) - Intangible Assets

(Rs. In Millions)

Particulars	Goodwill
<b>Year ended 31st March 2018</b>	
Gross carrying amount	0.71
Deemed cost as at 1st April 2017	-
Additions	-
<b>Closing gross carrying amount</b>	<b>0.71</b>
<b>Amortised expenses</b>	
Amortised expenses during the year	0.71
	-
<b>Closing amortised Expenses</b>	<b>0.71</b>
<b>Net carrying amount 31.03.2018</b>	<b>-</b>
<b>Year ended 31st March 2019</b>	
Gross carrying amount	-
Opening gross carrying amount	-
Additions	-
<b>Closing gross carrying amount</b>	<b>-</b>
<b>Amortised expenses</b>	
Amortised expenses during the year	-
<b>Closing amortised Expenses</b>	<b>-</b>
<b>Net Carrying amount 31.03.2019</b>	<b>-</b>



**Vikas Multicorp Limited**
**CIN NO.: U25111DL1995PLC073719**
*(All amounts in Millions, unless otherwise stated)*
**Notes to the financial statements for the year ended March 31, 2019**

Notes to the financial statements for the year ended March 31, 2019

Note 4. Financial assets - Investments		Number of shares					
	Nominal Value per unit	As at 31-Mar-2019	As at 31-Mar-2018	As at 01-Apr-2017	As at 31-Mar-2019	As at 31-Mar-2018	As at 01-Apr-2017
Quoted Investments (Fully Paid)							
Vikas Ecotech Ltd- (Listed Shares)	1	38.17	41.17	41.17	435.09	1,208.23	858.31
Total aggregate quoted investments [A]		-	-	-	435.09	1,208.23	858.31
Investments in Partnership Firm * (At cost)					42.50	-	-
Total aggregate Investments in partnership Firm[B]					42.50	-	-
					-	-	-
					-	-	-
					-	-	-
Total Non-current Investments [A+B]					477.59	1,208.23	858.31

**Quoted Investment Carried at Cost**

397.82 429.09 429.09

**Quoted Investment Carried at amortized Cost**

397.82 429.09 429.09

**Quoted Investment Carried at Fair Value through Profit & Loss**

- - -

**Quoted Investment Carried at Fair Value through Comprehensive Income**

435.09 1,208.23 858.31

**Note 5 - Other Non Current and Current Assets**

(Unsecured, considered good unless otherwise stated)

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Non Current	Current	Non Current	Current	Non Current	Current
Advance to Suppliers	-	65.81	-	39.43	-	35.09
<b>Balance with Government Authorities</b>	-	-	-	-	-	-
Considered Good	0.10	11.27	0.86	12.83	0.86	3.56
Considered Doubtful	-	3.27	-	-	-	-
	-	-	-	-	-	-
Security Deposits	18.83	-	8.21	0.17	0.22	0.16
Loan to Employees	-	0.14	-	0.21	-	0.40
Prepaid Expenses	-	0.39	-	0.36	-	0.16
Merger Expenses	-	-	-	-	0.16	0.14
Interest Receivable	-	0.77	-	-	-	-
Others	-	3.22	-	6.15	-	7.87
	-	-	-	-	-	-
	-	-	-	-	-	-
<b>Total Current and Non Current assets</b>	<b>18.93</b>	<b>84.89</b>	<b>9.07</b>	<b>59.16</b>	<b>1.24</b>	<b>47.38</b>

**Note 6- Inventories**

(at the lower of cost or net realisable value)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Raw Materials of Traded Goods Finished	-	70.72	-
Goods of Traded Goods* Finished goods of	196.79	58.05	10.73
Real Estate Division	86.05	19.56	19.56
<b>Total inventories</b>	<b>282.85</b>	<b>148.33</b>	<b>30.29</b>

\* Includes Stock in Transit of Rs. 1,17,06,973/- CY

Vikas Multicorp Limited

CIN NO.: U25111DL1995PLC073719

Notes to the financial statements for the year ended March 31, 2019

(All amounts in Millions, unless otherwise stated)

**Note 7 - Trade receivables**

(Unsecured, considered good unless otherwise stated)

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Non Current	Current	Non Current	Current	Non Current	Current
<b>Considered Good</b> Trade Receivables * <b>Considered</b>	-	1,438.59	-	1,126.89	-	273.90
<b>Doubtful</b> Trade Receivables	-	-	-	-	-	-
	-	18.91	-	-	-	-
	-	1,457.50	-	1,126.89	-	273.90
Less: Allowance for Expected Credit Loss	-	(18.91)	-	-	-	-
	-	-	-	-	-	-
<b>Total trade receivables</b>	-	<b>1,438.59</b>	-	<b>1,126.89</b>	-	<b>273.90</b>

\* Trade Receivables Includes Receivables from Related Parties

(i) Refer note 32 for disclosures related to credit risk and related disclosures.

**Note 8 - Cash and Bank Balances**

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Non Current	Current	Non Current	Current	Non Current	Current
<b>Cash and cash equivalents</b>						
(1) Cash on hand	-	0.35	-	0.92	-	1.33
(2) Balances with banks	-	-	-	-	-	-
In current accounts	-	0.25	-	0.32	-	0.14
(3) Cheques in Hand	-	14.85	-	-	-	-
	-	15.45	-	1.24	-	1.47
<b>Other Bank Balances</b>	-	-	-	-	-	-
(1) Deposit with original maturity of more than 3 months and less than 12 months	-	45.60	-	8.45	-	12.97
<b>Total cash Bank Balances</b>	-	<b>45.60</b>	-	<b>8.45</b>	-	<b>12.97</b>

## Note 9 - Share capital

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
<b>Authorised</b>						
Equity shares of Rs1/- each	67,00,00,000	670.00	43,00,00,000	430.00	43,00,00,000	430.00
	<b>67,00,00,000</b>		<b>43,00,00,000</b>		<b>43,00,00,000</b>	
<b>Issued, subscribed and paid up</b>						
Equity shares of Rs 1/- each fully paid up	66,34,95,495	663.50	30,34,01,400	303.40	30,34,01,400	303.40
Share Capital allotted Consequent to Demerger of trading unit of Vikas Ecotech Ltd with the Company	-		23,87,33,535	238.73	-	
Bonus shares issued during the year*	-		12,13,60,560	121.36	-	
				-		
<b>Total share capital</b>	<b>66,34,95,495</b>	<b>663.50</b>	<b>66,34,95,495</b>	<b>663.50</b>	<b>30,34,01,400</b>	<b>303.40</b>

**Shares issued in aggregate number and class of shares allotted by way of bonus shares:**

The Company has issued total 12,13,60,560/- equity shares during FY 2017-18 as fully paid up bonus share.

**(a) Movements in equity share capital**

Particulars	Number of shares	Amount
<b>As at April 1, 2017</b>	<b>30,34,01,400</b>	<b>3,034.01</b>
Changes during the year	36,00,94,095	3,600.94
<b>As at March 31, 2018</b>	<b>66,34,95,495</b>	<b>6,634.95</b>
Changes during the year	-	-
<b>As at March 31, 2019</b>	<b>66,34,95,495</b>	<b>6,634.95</b>

**Terms and rights attached to equity shares**

The Company has only one class of equity shares with a par value of Rs. 1/- per share. Each holder of equity shares is entitled to one vote per share.

**(b) Details of shareholders holding more than 5% shares in the company :**

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding
<b>Equity shares with voting rights</b>						
Vinod Kumar Garg Vikas	6,79,41,720	10.24%	6,79,41,720	10.24%	6,79,41,720	10.24%
Garg	20,78,28,299	31.32%	17,08,63,588	25.75%	17,08,63,588	25.75%
Seema Garg	7,06,12,175	10.64%	6,95,10,000	10.48%	6,95,10,000	10.48%
Sahyog Multibase Limited	3,83,21,019	5.78%	4,04,18,280	6.09%	4,04,18,280	6.09%

**Note 10 - Other equity**

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) <b>Reserve and Surplus</b>			
(i) Capital Reserve	59.80	59.80	2.85
(ii) Security Premium	106.31	106.31	198.59
(iii) Retained Earnings	34.09	14.83	29.09
	200.21	180.94	230.52
(b) <b>Other Comprehensive Income</b>	37.27	779.13	429.22
<b>Total other equity</b>	<b>237.48</b>	<b>960.08</b>	<b>659.74</b>

**(i) Capital reserves\***

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Opening balance	59.80	2.85	2.85
	-	-	-
Add : Capital Reserve in consequent to Demerger of unit of M/s Vikas Ecotech Limited with the Company	-	56.96	-
<b>Closing balance</b>	<b>59.80</b>	<b>59.80</b>	<b>2.85</b>

\* Capital reserve represents the difference between value of the net assets transferred to the Company in the course of business combinations and the consideration paid for such combinations

**(ii) Security Premium \***

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Opening balance	106.31	198.59	198.59
Add: Premium Created during the year	-	-	-
Less: Premium utilised for on issue of Bonus Shares	-	(92.27)	-
<b>Closing balance</b>	<b>106.31</b>	<b>106.31</b>	<b>198.59</b>

\* Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Act.

**(iii) Retained earnings \***

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Opening balance	14.83	29.09	29.09
Add: Net profit for the year	19.26	14.83	-
Less: Profit Utilised for issue of Bonus Shares	-	(29.09)	-
<b>Closing balance</b>	<b>34.09</b>	<b>14.83</b>	<b>29.09</b>

\* Retained earnings are created from the profit / loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

**(b) Other Comprehensive Income \***

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Opening balance	779.13	429.22	429.22
Add: Net fair value Profit/ loss on investment in equity instruments through OCI (net of tax)	(741.86)	349.91	-
	-	-	-
<b>Closing balance</b>	<b>37.27</b>	<b>779.13</b>	<b>429.22</b>

This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income that have been recognized in other comprehensive income, net of amounts reclassified to profit or loss when such assets are disposed off and impairment losses on such instruments

**Note 11 - Financial liabilities - Borrowings**

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Non Current	Current	Non Current	Current	Non Current	Current
<b>Secured *</b>						
From Banks	-	253.97	-	195.83	1.19	142.33
HDFC Bank -Santafee Hyundai	-	0.18	-	-	1.19	-
Union Bank of India CC-504130147	-	-	-	165.15	-	112.36
UBI A/c No. 46790722000033 PEFC	-	28.94	-	29.49	-	29.05
HDFC Bank-(Santafee Car)	-	-	-	1.19	-	0.92
SBI CC A/C-37747645791	-	140.07	-	-	-	-
Union Bank of India-406305040130147	-	84.78	-	-	-	-
From NBFC's	37.97	54.78	1.27	3.06	-	30.96
Mini Financial Services	0.35	1.34	0.82	0.87	-	-
Anand Rathi Global finance Limited	-	50.57	-	-	-	-
Tata capital Housing Finance Limited	37.22	2.36	-	-	-	-
Kotak Mahindra Bank- (ETIOS Car)	-	-	-	-	-	0.04
Kotak Mahindra Bank ( Toyota Invova New)	0.41	0.51	0.45	0.47	-	-
Kotak Mahindra Bank- (ETIOS Car)	-	-	-	0.04	-	0.23
Kotak Mahindra Bank- (Toyota)	-	-	-	0.47	-	-
Mini Financial Services	-	-	-	1.24	-	-
Globe Fincap Limited	-	-	-	-	-	30.69
<b>Unsecured</b>	-	-	-	-	-	-
<b>From Related Parties</b>	-	-	-	-	-	-
Vikas Garg	34.70	-	0.10	-	-	-
Vishal Garg	-	-	0.07	-	-	-
<b>From Others</b>	-	-	-	-	-	-
Jasmine Ispat Private Limited	10.97	-	-	-	-	-
	-	-	-	-	-	-
<b>Total Financial -Borrowings</b>	<b>83.64</b>	<b>308.75</b>	<b>1.44</b>	<b>198.89</b>	<b>1.19</b>	<b>173.29</b>

\* Secured from Bank Includes Working capital loan from Union Bank of India against inventories and Book Debts and Various immovable assets owned by directors.

\* Secured from Bank Includes Cash Credit Limit from State Bank of India hypothecation against book receivables of ONGC Petro Additions Limited

\* Secured from Banks Includes hypothecation against car from HDFC Bank Limited. The loan is repayable in 36 equal monthly installment of Rs. 89,968/- each.

\* Secured from NBFC Includes hypothecation against car from Mini Financial Services. The loan is repayable in 36 equal monthly installment of Rs. 1,18,675/- each. The Period of Maturity from the balance sheet date is fifteen month.

\* Secured from NBFC Includes hypothecation against cars TOYOTA from Kotak Mahindra Prime Limited. The loan is repayable in 36 equal monthly installment of Rs. 46,695/- each. The Period of Maturity from the balance sheet date is Eighteen month.

\* Secured from NBFC Includes loan against pledging of Shares of Vikas Ecotech Limited (Quoted Investment) from Anand Rathi Global finance Limited

\* Secured from NBFC Includes hypothecation against two Properties at Goregaon, Maharashtra Tata Capital Housing Finance Limited. The loan is repayable in 120 equal monthly installment of Rs. 5,40,148/- each. The Period of Maturity from the balance sheet date is one hundred nineteen month.

**Note 12 - Trade payables**

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Non Current	Current	Non Current	Current	Non Current	Current
<b>At amortised cost</b>						
Due to Micro and Small enterprises*	-	-	-	-	-	-
Due to Others	-	903.27	-	636.01	-	115.98
	-	-	-	-	-	-
	-	-	-	-	-	-
<b>Total trade payables</b>	<b>-</b>	<b>903.27</b>	<b>-</b>	<b>636.01</b>	<b>-</b>	<b>115.98</b>

The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small Enterprises" enterprises on the basis of \* information available with the Company.

**Note 13 - Other Financial Liabilities**

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Non Current	Current	Non Current	Current	Non Current	Current
Deferred Finance Expenses	-	0.25	-	-	-	-
<b>Total other liabilities</b>	<b>-</b>	<b>0.25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Vikas Multicorp Limited

CIN NO.: U25111DL1995PLC073719

Notes to the financial statements for the year ended March 31, 2019

(All amounts in Millions, unless otherwise stated)

**Note 14 - Other financial liabilities**

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Non Current	Current	Non Current	Current	Non Current	Current
Advance form Customers	-	236.03	-	168.58	-	21.12
Statutory dues payable	-	1.39	-	1.84	-	-
Expenses payable	-	3.50	-	1.02	-	2.09
		-	-	-	-	-
<b>Total other financial liabilities</b>	-	<b>240.93</b>	-	<b>171.44</b>	-	<b>23.21</b>

## Note 15 - Income Tax Liability (Net)

Particulars	<u>Balance Sheet</u>		
	31-Mar-19	31-Mar-18	01-Apr-17
<b>(a) Income Tax Assets</b>			
Advance income tax for previous years	-	-	-
Advance income tax for current year	-	-	-
<b>Total (a)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(b) Income Tax Liabilities</b>			
Provision for income tax for current year	9.37	6.60	1.35
Provision for income tax for previous years	-	-	-
<b>Total (b)</b>	<b>9.37</b>	<b>6.60</b>	<b>1.35</b>
	<b>-</b>	<b>-</b>	<b>-</b>
<b>Income Tax Liabilities (Net) (b) - (a)</b>	<b>9.37</b>	<b>6.60</b>	<b>1.35</b>

## Note 16. Deferred Tax Assets

Nature - Asset/Liability	<u>Balance Sheet</u>		
	31-Mar-19	31-Mar-18	01-Apr-17
<b>Deferred tax asset arising on account of :</b>			
Property, plant and equipment, investment property and other intangible	0.15	0.46	0.72
Lifetime expected credit loss of trade receivables	5.37	-	-
	-	-	-
Fair valuation of financial instruments through FVTPL	0.07	-	-
	-	-	-
<b>Total</b>	<b>5.59</b>	<b>0.46</b>	<b>0.72</b>

## Deferred tax liability arising on account of :

Fair valuation of financial instruments through OCI	-	-	-
<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Deferred Tax Assets</b>	<b>5.59</b>	<b>0.46</b>	<b>0.72</b>



Changes in deferred tax Assets (net)

Particulars	01-Apr-17	Recognised in other comprehensive Income	Recognised in Consolidated Statement of Profit and Loss	31-Mar-18	Recognised in other comprehensive Income	Recognised in Consolidated Statement of Profit and Loss	31-Mar-19
<b>Assets</b>							
Property, plant and equipment, investment property and other intangible assets - depreciation and amortisation	7.21	-	(2.60)	4.61	-	(3.06)	1.55
Lifetime expected credit loss of trade receivables	-	-	-	-	-	53.69	53.69
Fair valuation of financial instruments through FVTPL	-	-	-	-	-	0.71	0.71
Sub Total	7.21	-	51.09	4.61	-	51.34	55.95
<b>Liabilities</b>							
Fair valuation of financial instruments through OCI	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-
<b>Total</b>	<b>7.21</b>	<b>-</b>	<b>-</b>	<b>4.61</b>	<b>-</b>	<b>-</b>	<b>55.95</b>

**Vikas Multicorp Limited****CIN NO.: U25111DL1995PLC073719**

Notes to the financial statements for the year ended March 31, 2019

*(All amounts in Millions, unless otherwise stated)***Note 17 - Revenue from operations**

Particulars	March 31, 2019	March 31, 2018
Sale of products*	2,132.71	1,947.09
	-	-
Other Operating Income	25.52	6.42
	-	-
<b>Total revenue from operations</b>	<b>2,158.24</b>	<b>1,953.52</b>

**Note 18 - Other income**

Particulars	March 31, 2019	March 31, 2018
<b>(a)</b> Interest income		
- Other financial assets carried at amortised cost	3.75	6.93
<b>(b)</b> Commission Income	11.00	35.66
<b>(c)</b> Dividend Income	2.06	2.06
<b>(d)</b> Foreign Exchange Fluctuation	9.38	10.02
<b>(e)</b> Profit on sale of Car	0.22	0.01
<b>(f)</b> Profit on sale of Investments	14.16	0.51
<b>(g)</b> Misc. Income	-	0.24
<b>Total other income</b>	<b>40.56</b>	<b>55.42</b>

**Vikas Multicorp Limited****CIN NO.: U25111DL1995PLC073719**

Notes to the financial statements for the year ended March 31, 2019

*(All amounts in Millions, unless otherwise stated)***Note 19 - Purchase of Stock in Trade**

Particulars	March 31, 2019	March 31, 2018
Purchases during the year*	2,145.02	1,870.15
	-	-
Other Operating Expenses	23.75	25.58
	-	-
<b>Total purchases made during the year</b>	<b>2,168.78</b>	<b>1,895.73</b>

**\*Refer Note No. 2.1.3****Note 20 - Change in inventories**

Particulars	March 31, 2019	March 31, 2018
Opening Stock of Raw Material	70.72	-
Opening Stock of Finished Goods	58.05	85.77
Opening Stock of Real Estate Division	19.56	19.56
<b>Total Opening Stock</b>	<b>148.33</b>	<b>105.33</b>
	-	-
Less: Closing stock of Raw Material	-	70.72
Less: Closing stock of Finished Goods *	196.79	58.05
Less: Closing stock of Real Estate Division	85.55	19.56
	-	-
<b>Total Closing Stock</b>	<b>282.35</b>	<b>148.33</b>
<b>Net Change in inventories</b>	<b>(134.02)</b>	<b>(43.00)</b>

\* Includes Stock in Transit of Rs. 1,17,06,973/- CY

**Note 21 - Employees benefit expenses \***

Particulars	March 31, 2019	March 31, 2018
Salaries and Wages	10.43	16.50
Staff Welfare	0.23	0.43
<b>Total Employees benefit expense</b>	<b>10.67</b>	<b>16.93</b>

**\*Refer Note No. 2.1.3****Note 22 - Finance cost\***

Particulars	March 31, 2019	March 31, 2018
Bank Charges	8.68	7.49
Interest Expenses	53.25	59.65
	-	-
<b>Total finance cost</b>	<b>61.93</b>	<b>67.14</b>

**\*Refer Note No. 2.1.3****Note 23 - Depreciation and amortisation expense\***

Particulars	March 31, 2019	March 31, 2018
Depreciation expense		
- On property, plant and equipment	5.00	7.34
-Amortisation of Intangible Assets	-	0.71
<b>Total depreciation and amortisation expense</b>	<b>5.00</b>	<b>8.05</b>

**Vikas Multicorp Limited****CIN NO.: U25111DL1995PLC073719**

Notes to the financial statements for the year ended March 31, 2019

*(All amounts in Millions, unless otherwise stated)***\*Refer Note No. 2.1.3****Note 24 - Other expenses\***

Particulars	March 31, 2019	March 31, 2018
Advertisement & Business Promotion	0.06	0.93
Audit Fees	0.70	0.45
Freight Outward	5.46	3.95
Donation	1.49	9.26
Fees & Filing	2.75	2.24
Electricity Expenses	0.42	0.67
Insurance Charges	1.52	2.30
Legal & Professional Charges	3.49	8.41
Rent Expense	1.57	1.42
Tour & Travelling Expense	1.52	2.88
Vehicle Running & Maintenance	0.33	0.54
Telephone Expenses	0.07	0.41
Security Expenses	0.25	0.86
Postage & Courier Exp.	0.13	0.21
Printing & Stationery	0.38	0.18
ROC for Increase in Authorised Capital	2.16	-
Corporate social responsibility	-	1.96
Demerger Expenses	0.52	-
Interest on Service Tax, Sales Tax, TDS	0.55	0.18
Balances Write Off	9.11	0.60
Expected Credit Loss	18.91	-
Others	4.78	4.85
	-	-
<b>Total other Expenses</b>	<b>56.17</b>	<b>42.31</b>

**\*Refer Note No. 2.1.3**

**Note 25** - The amount of 1,46,99,640/- in exceptional items relates to provision made in respect of GST Input transition impact, on the inventories lying with Demerged Unit of the Company.

**Note 26 - Tax expense**

Particulars	March 31, 2019	March 31, 2018
<b>Current Tax</b>		
In respect of current year	11.26	6.60
<b>Total income tax expense</b>	<b>11.26</b>	<b>6.60</b>

**Note 27 - Earnings per share**

Particulars	March 31, 2019	March 31, 2018
Profit for the year attributable to owners of the Company [A]	19.26	14.83
Weighted average number of equity shares for the purposes of basic EPS/diluted EPS [B]	663.50	598.77
Basic earning per share (face value of Rs. 1 per share) [A/B]	0.029	0.022
Diluted earning per share (face value of Rs. 1 per share) [A/B]	0.029	0.025

**Vikas Multicorp Limited****CIN NO.: U25111DL1995PLC073719**

Notes to the financial statements for the year ended March 31, 2019

*(All amounts in Millions, unless otherwise stated)***Note 28 - Contingent Liabilities and Commitments**

Particulars	March 31,2019	March 31,2018
<b>Contingent Liabilities</b>		
Custom Duty*	5.37	-
Guarantees**	5.03	16.02
Income Tax***	0.60	-
<b>Total</b>	<b>11.00</b>	<b>16.02</b>
<b>Commitments</b>	-	-
As per Partnership Deed dated 11th Oct, 2018 registered in Jammu and Kashmir company have mutually agreed with other partners to contribute for capital of partnership firm amounting to Rs. 25,00,00,000/- for the 90% share of Profit/Loss of the Partnership Firm w.e.f. 01st Oct, 2018 (net of amount investment as per Note 4 (B) )	207.50	-
<b>Total</b>	<b>207.50</b>	<b>-</b>

\* Duty saved on Export Obligation dues

\*\* Guarantees to Banks and Financial Institutions against credit facilities extended to third party

\*\*\* Income Tax dispute pending at CIT (A) Authority

**Event occurring after Reporting Date:**

The destruction of Stock at godown at Rajasthan by fire occur on Dated 08-04-2019 after the reporting period, Where approximate loss Rs. 1.35 Crore intimated by the company to the Fire department and Police.

**Note 29 - Payment to Auditors**

Particulars	March 31,2019	March 31,2018
Statutory audit	0.70	0.15
others	-	0.30
<b>Total</b>	<b>0.70</b>	<b>0.45</b>

**Vikas Multicorp Limited****CIN NO.: U25111DL1995PLC073719**

Notes to the financial statements for the year ended March 31, 2019

*(All amounts in Millions, unless otherwise stated)***Note 30 - Information on Segment Reporting pursuant to Ind AS 108 - Operating Segments****Operating segments:**

Real estate Division

Trading ofPVC Resins/ Plastic Granuels/others

**Identification of segments:**

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss of the segment and is measured consistently with profit or loss in these financial statements. Operating segments have been identified on the basis of the nature of products.

**Segment revenue and results**

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure

**Segment assets and liabilities:**

Assets used by the operating segments mainly consist of property, plant and equipment, trade receivables, cash and cash

The measurement principles of segments are consistent with those used in preparation of these financial statements. There are no inter-segment transfers

Particulars	March 31, 2019	March 31, 2018
India	2,132.71	1,953.52
	-	-
<b>Total</b>	<b>2,132.71</b>	<b>1,953.52</b>

**1. Revenue by nature of products (refer note 18)**

Particulars	March 31, 2019	March 31, 2018
(a) Division Real estate	2	-
(b) PVC Resins/ Plastic Granuels & Others	2,156	1,953
	-	-
<b>Total</b>	<b>2,158</b>	<b>1,953</b>

**2. Segment Results**

Particulars	March 31, 2019	March 31, 2018
(a) Division Real estate	1.30	-
(b) PVC Resins/ Plastic Granuels & Others	144.85	88.83
	-	-
<b>Sub Total</b>	<b>146.15</b>	<b>88.83</b>
Less: Finance Cost	61.93	67.14
Less: Unallocable expenditure net of unallocable income	56.17	-
<b>Profit before tax</b>	<b>28.06</b>	<b>21.69</b>
Less: Tax expenses	8.80	6.86
<b>Net profit for the year</b>	<b>19.26</b>	<b>14.83</b>

**3. Segment Assets**

Particulars	March 31, 2019	March 31, 2018
(a) PVC Resins/ Plastic Granuels & Others	78	76

**Vikas Multicorp Limited**

**CIN NO.: U25111DL1995PLC073719**

**Notes to the financial statements for the year ended March 31, 2019**

*(All amounts in Millions, unless otherwise stated)*

**Note 31 - Related party transactions**

**(A) List of key management personnel**

Mr. Hari Bhagwan Sharma, Director

Mr. Vikas Garg, Managing Director

Mr. Chandan Kumar, Chief Financial Officer (CFO) (Appointed on 08.09.2018)

Mr. Deepanshu Arora, Company Secretary (Appointed on 04.01.2019)

Pooja Jain (Resigned on 15.12.2018)

**(B) List of Directors**

Mr. Purshottam Dass Bhoot , Director

Mr. Vikas Garg, Managing Director

Mr. Vivek Garg, Director (Appointed on 04.01.2019)

Mr. Hari Bhagwan Sharma, Director

Mr. Pankaj Kumar Gupta, Director

Mrs. Anubhuti Mishra, Director

Mr. Kapil Gupta, Director

**(C) List of subsidiaries**

Nil

**(D) Entities in which a Director or his/her relative is a member or Director**

M/s Vikas Ecotech Limited (Mr. Vikas Garg is Director)

M/s Ravi Corp Science (90% Capital Investment in Firm by Company)

M/s Ketav Multicorp Private Limited (Mr. Vikas Garg is Director)

M/s Jha Gunjan & Associates (Proprietor of the firm is relative of KMP)

**(E) Relatives of KMPs/Directors\***

Ms. Seema garg (Wife of Director)

\* With whom the Company had transactions during the current year or previous year

**(F) Terms & conditions:**

The outstanding balances at the year-end are unsecured and interest free. The Company has not recorded any impairment of receivables relating to amounts owned by related parties for the year ended 31 March 2019 and 31 March 2018.

**(G) The amount of transactions/ balances disclosed above are without giving effect to the Ind AS adjustments on account of fair valuation / amortisation.**



**(H) Transactions with Related Party****(Rs. In Millions)**

Related Party	Outstanding as on 31.03.2019	Payable / Receivable	Outstanding as on 31.03.2018	Payable / Receivable	Nature of transaction	As on 31.03.2019	As on 31.03.2018
						Value of transaction	Value of transaction
Hari Bhagwan Sharma	0.04	Payable	0.04	Payable	Director Remuneration	0.59	0.51
Chandan Kumar	0.08	Payable	-	-	Salary	0.51	-
Deepanshu Arora	0.04	Payable	-	payable	Salary	0.13	-
Pooja Jain	-	Payable	-	-	Salary	0.14	-
Mrs. Seema Garg	0.36	Payable	-	Payable	Rent	0.29	0.40
M/s Vikas Ecotech Limited	-	Payable	61.51	Payable	Sales	265.16	141.72
					Purchase	44.78	81.44
Mr. Vivek Garg	0.30	Payable	-		Rent	0.30	-
M/s Ketav Multicorp Private Limited	62.12	payable	9.04	Receivable	Purchase	101.76	-
					Commission	-	9.04
M/s Jha Gunjan & Associates	-	payable	0.00	payable	Professional Fee	0.07	0.05
					Reimbursement Expenses	3.89	2.45
M/s Ravi Corp Science	42.50	Investment	-		Capital Introduction	42.50	-
							-

**Vikas Multicorp Limited****CIN NO.: U25111DL1995PLC073719**

Notes to the financial statements for the year ended March 31, 2019

*(All amounts in Millions, unless otherwise stated)***Note 32 - Details of hedged and unhedged exposure in foreign currency denominated monetary items****A. Exposure in foreign currency - hedged**

NIL

**B. Exposure in foreign currency - unhedged**

Outstanding overseas exposure not being hedged against adverse currency fluctuation:

Particulars	Period	Foreign currency (In USD)	Local currency (In Rs.)
Export receivables	31 March 2019	0.52	36.34
	31 March 2018	-	-
Overseas creditors	31 March 2019	2.29	148.97
	31 March 2018	0.15	10.43
Advances to suppliers	31 March 2019	-	-
	31 March 2018	1.71	111.06
Advance from customers	31 March 2019	0.19	13.33
	31 March 2018	-	-
Bank balances in Exchange Earner Foreign Currency (EEFC) account	31 March 2019	0.12	8.08
	31 March 2018	1.07	74.32
	31 March 2019	-	-
	31 March 2018	0.31	20.49
	31 March 2019	(0.42)	(28.94)
	31 March 2018	-	-
	31 March 2019	(0.45)	(29.49)
	31 March 2018	-	-

**Vikas Multicorp Limited****CIN NO.: U25111DL1995PLC073719**

Notes to the financial statements for the year ended March 31, 2019

*(All amounts in Millions, unless otherwise stated)***Note 33 - Capital management**

For the purpose of capital management, capital includes total equity of the Company. The primary objective of the capital management is to maximize shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations, if any.

Particulars	March 31, 2019	March 31, 2018	April 1, 2017
Current and non-current Borrowings (note 11)	392.39	200.33	174.47
Trade payables (note 13)	903.27	636.01	115.98
Other current financial liabilities (note 12)	0.25	-	-
Other current liabilities (note 14)	240.93	171.44	23.21
<b>Total debt</b>	<b>1,536.84</b>	<b>1,007.77</b>	<b>313.67</b>
Less: Cash and cash equivalent (note 8)	(15.45)	(1.24)	(1.47)
<b>Net debt (A)</b>	<b>1,521.39</b>	<b>1,006.53</b>	<b>312.20</b>
<b>Total equity (note 9 &amp; note 10)</b>	<b>900.97</b>	<b>1,623.57</b>	<b>963.14</b>
<b>Total equity and net debt (B)</b>	<b>2,422.36</b>	<b>2,630.10</b>	<b>1,275.34</b>
<b>Gearing ratio (A/B)</b>	<b>62.81%</b>	<b>38.27%</b>	<b>24.48%</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the lender to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

Further, no changes were made in the objectives, policies or process for managing capital during the years ended March 31, 2019 and March 31, 2018.

The Company is not subject to any externally imposed capital requirements.

Notes to the financial statements for the year ended March 31, 2019

(All amounts in Millions, unless otherwise stated)

**Note 34 - Financial risk management**

The Company's financial liabilities generally comprises of interest bearing borrowing, trade payables and other payables represented by advances received from dealers and other employee benefits. The main purpose of these financial liabilities is to raise finances for the company. The financial assets held by the company consist of trade receivables, balance with banks, investments and plan assets.

The company is mainly exposed to credit risk, liquidity risk and market risk. The board of directors reviews and agrees policies for managing each of these risks which are summarized below:

**(i) Credit Risk**

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. Currently the Company is not exposed to any significant credit risk from its operating activities.

Financial assets are written-off when there is no reasonable expectation of recovery, such as debtor failing to engage in a repayment plan with the Company. The Company provides some overdue outstanding institutional customers which are evaluated on a case to case basis. The Company's concentration of risk with respect to trade receivables is low, as its customer's base is widely spread across the length and breadth of the country

Exposure to credit risks	As at 31 March, 2019	As at 31 March, 2018	As at 31 March, 2017
<b>Financial assets for which loss allowance is measured using Life time Expected Credit Losses (LECL)</b>			
Trade receivables	1,89,05,367	-	-

**(ii) Liquidity risk**

The Company uses liquidity forecast tools to manage its liquidity. The Company is able to substantially fund its working capital from cash and cash equivalents, cash credit facilities and cash flow that is generated from operation. The Company believes that the working capital is sufficient to meet its current requirements.

**Maturities analysis of financial liabilities:**

Particulars	on demand	< 1 year	1-5 years	Total	Carrying amount
<b>As at 31 March 2019</b>					
Current borrowings	50.57	258.00	-	308.57	308.57
Trade payables	-	907.38	-	907.38	907.38
Other current financial liabilities	-	229.47	-	229.47	229.47
Non-current borrowings	-	-	83.82	83.82	83.82
	<b>50.57</b>	<b>1,394.84</b>	<b>83.82</b>	<b>1,529.24</b>	<b>1,529.24</b>
<b>As at 31 March 2018</b>					
Current borrowings	-	198.89	-	198.89	198.89
Trade payables	-	627.55	-	627.55	627.55
Other current financial liabilities	-	187.45	-	187.45	187.45
Non-current borrowings	-	-	1.44	1.44	1.44
	-	<b>1,013.90</b>	<b>1.44</b>	<b>1,015.33</b>	<b>1,015.33</b>
<b>As at 1 April 2017</b>					
Current borrowings	-	-	-	-	-
Current borrowings	-	173.29	-	173.29	173.29
Trade payables	-	115.98	-	115.98	115.98
Other current financial liabilities	-	23.21	-	23.21	23.21
Non-current borrowings	-	-	1.19	1.19	1.19
	-	<b>312.48</b>	<b>1.19</b>	<b>313.67</b>	<b>313.67</b>

**(iii) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise two types of risk: currency rate risk and interest rate risk.

**(a) Interest rate risk:**

The company's interest rate risk arises due to restricted deposit with bank. The exposure to interest risk in relation to restricted deposits is between 6% to 9%. Restriction on such deposits is realized on the expiry of terms of respective arrangements.

**(b) Foreign currency risk:**

Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in exchange rates of any currency. The Company's exposure to the risks of changes in foreign exchange rates relates primarily to the Company's investments in foreign companies.

**Vikas Multicorp Limited**

Notes to the financial statements for the year ended March 31, 2019  
(All amounts in Millions, unless otherwise stated)

**Note 35 - First time adoption of Ind AS****Transition to Ind AS**

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31 March 2019, the comparative information presented in these financial statements for the year ended 31 March 2018 and in the preparation of an opening Ind AS balance sheet at 1 April 2017 (the transition date). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provision of the Act (previous GAAP or Indian GAAP). Further, in view of the classification of current and non-current items adopted in accordance with the criteria specified in Ind AS 1 *Presentation of Financial Statements* the corresponding figures of the previous years have been appropriately reclassified wherever necessary. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

**A. Exemptions and exceptions availed**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

**A.1 Ind AS optional exemptions****Deemed cost**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 *Intangible Assets*.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

**A.2 Ind AS mandatory exceptions****A.2.1 Estimates**

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP (after adjustments to reflect any difference in accounting policies) apart from certain new estimates that were not required under previous GAAP.

**A.2.2 De-recognition of financial assets and liabilities**

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

**A.2.3 Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification of financial assets (debt instruments) in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date and the Company has followed the same.

**A.2.4 Impairment of financial assets**

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

Notes to the financial statements for the year ended March 31, 2019  
(All amounts in Millions, unless otherwise stated)

**A. Reconciliations between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

**A.1 Effect of Ind AS adoption on the balance sheet as at March 31, 2018 and April 1, 2017**

Particulars	Notes	31 March 2018 (End of last period presented under previous GAAP)			1 April 2017 (Date of transition)		
		Previous GAAP *	Effect of transition to Ind AS	Ind AS	Previous GAAP *	Effect of transition to Ind AS	Ind AS
<b>ASSETS</b>							
<b>Non-current assets</b>							
Property, plant and equipment		31.68	-	31.68	4.45	-	4.45
Investment Property		44.44	-	44.44	46.72	-	46.72
Intangible assets		-	-	-	0.71	-	0.71
Financial assets		-	-	-	-	-	-
Investment		429.09	779.13	1,208.23	429.09	429.22	858.31
Deferred Tax Assets		0.46	-	0.46	0.72	-	0.72
Other non-current assets		9.07	-	9.07	1.24	-	1.24
<b>Total non-current assets</b>		<b>514.75</b>	<b>779.13</b>	<b>1,293.88</b>	<b>482.94</b>	<b>429.22</b>	<b>912.16</b>
<b>Current assets</b>							
Inventories		148.33	-	148.33	30.29	-	30.29
Financial assets		-	-	-	-	-	-
Trade receivables		1,126.89	-	1,126.89	273.90	-	273.90
Cash and cash equivalents		1.24	-	1.24	1.47	-	1.47
Other current assets		59.16	-	59.16	47.38	-	47.38
<b>Total current assets</b>		<b>1,335.61</b>	<b>-</b>	<b>1,335.61</b>	<b>353.04</b>	<b>-</b>	<b>353.04</b>
<b>Total assets</b>		<b>1,850.36</b>	<b>779.13</b>	<b>2,629.49</b>	<b>835.98</b>	<b>429.22</b>	<b>1,265.20</b>

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Particulars	Notes	31 March 2018			1 April 2017		
		Previous GAAP *	Effect of transition to Ind AS	Ind AS	Previous GAAP *	Effect of transition to Ind AS	Ind AS
<b>EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
Equity share capital		663.50	-	663.50	303.40	-	303.40
Other equity		180.94	779.13	960.08	230.52	429.22	659.74
<b>Total equity</b>		<b>844.44</b>	<b>779.13</b>	<b>1,623.57</b>	<b>533.92</b>	<b>429.22</b>	<b>963.14</b>
<b>LIABILITIES</b>							
<b>Non-current liabilities</b>							
Financial Liabilities							
Borrowings		1.44	-	1.44	1.19	-	1.19
<b>Total non-current liabilities</b>		<b>1.44</b>	<b>-</b>	<b>1.44</b>	<b>1.19</b>	<b>-</b>	<b>1.19</b>
<b>Current liabilities</b>							
Financial liabilities							
Borrowings		198.89	-	198.89	173.29	-	173.29
Trade payables		636.01	-	636.01	115.98	-	115.98
Others		-	-	-	-	-	-
Other current liabilities		171.44	-	171.44	23.21	-	23.21
Income Tax Assets (Net)		6.60	-	6.60	1.35	-	1.35
<b>Total current liabilities</b>		<b>1,012.93</b>	<b>-</b>	<b>1,012.93</b>	<b>313.83</b>	<b>-</b>	<b>313.83</b>
<b>Total liabilities</b>		<b>1,014.37</b>	<b>-</b>	<b>1,014.37</b>	<b>315.02</b>	<b>-</b>	<b>315.02</b>
<b>Total equity and liabilities</b>		<b>1,858.81</b>	<b>779.13</b>	<b>2,637.94</b>	<b>848.94</b>	<b>429.22</b>	<b>1,278.16</b>

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

## A.2 Reconciliation of total equity as at March 31, 2018 and April 1, 2017

Particulars	Notes	March 31, 2018 (End of last period presented under previous GAAP)	1 April 2017 (Date of transition)
Total equity (shareholders' funds) under previous GAAP		844.44	533.92
Total adjustment to equity		(779.13)	(429.22)
Total equity under Ind AS		1,623.57	963.14

## A.3 Effect of Ind AS adoption on the statement of profit and loss for the year ended March 31, 2017

Particulars	Notes	March 31, 2018 (last period presented under previous GAAP)		
		Previous GAAP *	Effect of transition to Ind AS	Ind AS
Revenue from operations		1,953.52	-	1,953.52
Other income		55.42	-	55.42
Total income		2,008.94	-	2,008.94
Expenses		-	-	-
Purchase of Stock during the year		1,895.73	-	1,895.73
Change in inventories		(43.00)	-	(43.00)
Finance costs		65.42	1.72	67.14
Depreciation and amortisation expense		8.05	-	8.05
Employees benefit expenses		16.93	-	16.93
Other expenses		42.05	0.35	42.40
Total expenses		1,985.17	2.07	1,987.25
Profit/(loss) before tax		23.76	(2.07)	21.69
Tax expense:		-	-	-
- Current tax		6.60	-	6.60
- Deferred tax liability		0.26	-	0.26
Total tax expense		6.86	-	6.86
Profit / (loss) for the year		16.90	(2.07)	14.83

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Particulars	Notes	March 31, 2018 (last period presented under previous GAAP)		
		Previous GAAP	Effect of transition to Ind AS	Ind AS
Other comprehensive income				
A (i) Items that will not be reclassified to profit or loss				
- Re-measurements of the Investments		-	349.91	349.91
- income tax relating to items that will not be reclassified to profit or loss		-	-	-
B (i) Items that may be reclassified to profit or loss		-	-	-
B (ii) Income tax relating to items that may be reclassified to profit & loss		-	-	-
Other comprehensive income for the year, net of tax		-	349.91	349.91
Total comprehensive income for the year		-	349.91	349.91

## A.4 Reconciliation of total comprehensive income for the year ended March 31, 2017

Particulars	Note No.	March 31, 2018 (End of last period presented under previous GAAP)
Profit as per previous GAAP		16.90
Total effect of transition to Ind AS		(2.07)
Profit / (loss) for the year as per Ind AS		14.83
Other comprehensive for the year (net of tax)		349.91
Total comprehensive income under Ind AS		364.74

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under previous GAAP.

## A.5 Effect of Ind AS adoption on the statement of cash flows for the year ended March 31, 2018

Particulars	March 31, 2018 (last period presented under previous GAAP)		
	Previous GAAP	Effect of transition to Ind AS	Ind AS
Net cash flows from operating activities	(231.84)	-	(231.84)
Net cash flows from investing activities	(22.79)	-	(22.79)
Net cash flows from financing activities	254.40	-	254.40
Net increase (decrease) in cash and cash equivalents	(0.23)	-	(0.23)
Cash and cash equivalents at the beginning of the year (Note 9)	1.47	-	1.47
Cash and cash equivalents at the end of the year (Note 9)	1.24	-	1.24

**Vikas Multicorp Limited**

Notes to the financial statements for the year ended March 31, 2019

(All amounts in Millions, unless otherwise stated)

**Note 36 Fair Value Hierarchy**

The table shown below analyses financial instruments carried at fair value. The different levels have been defined below:-

Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. Derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

**a) Financial assets and liabilities measured at fair value through profit and loss (OCI) at 31 March 2019**

	Level 1	Level 2	Level 3
<b>Financial Assets</b>			
Investment in quoted equity instruments	-	-	-
Investment in unquoted equity instruments	-	-	-
Expected Credit Loss	-	-	-
<b>Financial Liabilities</b>			
Deferred Finance Liability	-	-	-
Derivatives not designated as hedges	-	-	-

**Financial assets and liabilities measured at fair value through profit and loss (OCI) at 31 March 2018**

	Level 1	Level 2	Level 3
<b>Financial Assets</b>			
Investment in quoted equity instruments	1,208.23	-	-
Investment in unquoted equity instruments	-	-	-
<b>Financial Liabilities</b>			
Financial Guarantee Contracts	-	-	-
Derivatives not designated as hedges	-	-	-

**Financial assets and liabilities measured at fair value through profit and loss (OCI) at 1 April 2017**

	Level 1	Level 2	Level 3
<b>Financial Assets</b>			
Investment in quoted equity instruments	858.31	-	-
Investment in unquoted equity instruments	-	-	-
<b>Financial Liabilities</b>			
Financial Guarantee Contracts	-	-	-
Derivatives not designated as hedges	-	-	-

**Description of significant unobservable input to valuation:**

**Valuation technique**  
DCF Method

**Significant unobservable techniques**  
Interest saved approach

**b) Financial instruments at amortized cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the value that would eventually be received or settled.

**c) During the year there has been no transfer from one level to another**



**Vikas Multicorp Limited**

Notes to the financial statements for the year ended March 31, 2019

(All amounts in Millions, unless otherwise stated)

**Note 37 - Fair value measurements Financial**
**instruments by category**

Particulars	March 31, 2019			March 31, 2018			April 1, 2017		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
<b>Financial assets</b>									
Non Current Investments	-	477.59	-	-	1,208.23	-	-	858.31	-
Trade receivables	18.91	-	1,419.69	-	-	1,126.89	-	-	273.90
Cash and bank balances	-	-	15.45	-	-	1.24	-	-	1.47
<b>Total financial assets</b>	-	<b>477.59</b>	<b>1,435.13</b>	-	<b>1,208.23</b>	<b>1,128.13</b>	-	<b>858.31</b>	<b>275.37</b>
<b>Financial liabilities</b>									
Borrowings	10.97	-	72.68	-	-	1.44	-	-	1.19
Trade payables	-	-	903.27	-	-	636.01	-	-	115.98
Other payables	-	-	0.25	-	-	36.80	-	-	19.54
<b>Total financial liabilities</b>	-	-	<b>976.19</b>	-	-	<b>674.25</b>	-	-	<b>136.71</b>

The management assessed that cash and cash equivalents, other bank balance, loans, trade payables and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments.

**Note 38 - Recent Accounting pronouncements**

The Ministry of Corporate Affairs (MCA) vide notification dated 30 March 2019 has issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and has amended Ind AS 116 Lease classification of a lease contract in which acquiree is the lessor as either an operating lease or a finance lease in accordance with Ind AS 116 requires an entity to provide disclosures in the financial statement. On initial application of the amendment, entities are not required to provide comparative information for preceding periods. These amendments are effective for annual periods beginning on or after 1 April 2019. Application of this amendments will not have any recognition and measurement impact. However, it will require additional disclosure in the financial statements.

**Note 39** - Previous year amounts have been re-grouped / re-casted wherever considered necessary, to make them comparable with those of the current year.

**Note 40** - In the opinion of the Board of Directors, current assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provisions for all known / expected liabilities have been made.

**Note 41 - Approval of standalone financial statements**

The standalone financial statements were approved for issue by the Board of Directors of the Company on 27-April-2019 subject to approval of shareholders.

**As per our report of even date**
**For Goyal Nagpal & Co.**

Chartered Accountants

Firm Regn. No.018289C

**CA Virender Nagpal**

Partner

Membership No. 416004

Place: New Delhi

Dated: April 27, 2019

**For and on behalf of the Board of  
Vikas Multicorp Limited**

**Hari Bhagwan Sharma**

Director

(DIN: 02542653)

**Deepanshu Arora**

(Company Secretary)

M. No. ACS-44595

**Vikas Garg**

Managing Director

(DIN: 00255413)

**Chandan Kumar**

(Chief Financial Officer)

## PROPOSED ALLOTTEES IN THE ISSUE

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the Book Running Lead Manager to Eligible QIBs only, on a discretionary basis.

The names of the proposed Allottees and the percentage of post-Issue share capital that may be held by them is set forth below. These details of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, will be included in the Placement Document to be sent to such proposed Allottees.

S. No.	Name of the proposed Allottees	Percentage of the post-Issue share capital held (%) <sup>^*</sup>
1.	[●]	[●]
2.	[●]	[●]

<sup>^</sup> Based on beneficiary position as on [●], 2022.

<sup>\*</sup> The details of the proposed Allottees have been intentionally left blank and will be filled in before filing of the Placement Document with the Stock Exchanges and issuing of the Placement Document to such proposed Allottees.

## **DECLARATION**

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all material approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Preliminary Placement Document are true and correct.

**Signed by:**

**Mrs. Richa Sharma**

**Chairperson**

Date: May 25, 2022

Place: New Delhi

We, the Board of Directors of our Company certify that:

- I. our Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;
- II. the compliance with the Companies Act, 2013 and the rules thereunder, does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and
- III. the monies received under the Issue shall be used only for the purposes and objects indicated in the Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4).

**SIGNED ON BEHALF OF THE BOARD OF DIRECTORS**

**Signed by:**

**Mrs. Richa Sharma**

**Chairperson**

Date: May 25, 2022

Place: New Delhi

I am authorized by the Board of Directors of our Company, *vide* resolution dated January 10, 2022, to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

**Signed by:**

**Mrs. Richa Sharma**

**Chairperson**

Date: May 25, 2022

Place: New Delhi

**VIKAS LIFECARE LIMITED**

**Registered Office**

G-1, 34/1,  
East Punjabi Bagh,  
New Delhi -110026, India

**Telephone No.:** 011-40450110

**Email:** [cs@vikaslifecarelimited.com](mailto:cs@vikaslifecarelimited.com)

**Corporate Identity Number:** L25111DL1995PLC073719

**BOOK RUNNING LEAD MANAGER**

**Fedex Securities Private Limited**

B 3, Jay Chambers,  
Dayaldas Road,  
Vile Parle (East) - 400 057, India

**Telephone No.:** +91 81049 85249

**Email:** [mb@fedsec.in](mailto:mb@fedsec.in)

**STATUTORY AUDITORS TO OUR COMPANY**

**M/s. RSPH & Associates, Chartered Accountants**

906, Vikram Tower  
16, Rajendra Place  
New Delhi – 110 008

**Telephone:** 011-4153 8933/ 2571 5850

**Email:** [catarun@rsphindia.com](mailto:catarun@rsphindia.com)

**ADVISOR TO THE ISSUE**

**Hexaxis Advisors Limited**

40 RPS, Sheikh Sarai, Phase-1  
New Delhi 110017

**Telephone:** 011-40503037

**Email:** [mail@hexaxis.in](mailto:mail@hexaxis.in)

**Legal Advisor to the Issue**

**Rajani Associates, Solicitors**

204-207, Krishna Chambers  
59, New Marine Lines  
Mumbai 400020

**Telephone:** +91 (22) 4096 1000

**E-mail id:** [sangeeta@rajaniassociates.net](mailto:sangeeta@rajaniassociates.net)

**Contact Person:** Ms. Sangeeta Lakhi

## SAMPLE APPLICATION FORM

 <p><b>VIKAS LIFECARE LIMITED</b>  <i>(Incorporated in the Republic of India as a company with limited liability under the Indian Companies Act, 2013)</i></p> <p><b>Registered Office:</b> G-1, 34/1, East Punjabi Bagh, New Delhi - 110026, India; CIN: L25111DL1995PLC073719;  <b>Website:</b> www.vikaslifecarelimited.com;  <b>Tel:</b> (011) 4045 0110; <b>Email:</b> cs@vikaslifecarelimited.com</p>	<p style="text-align: center; margin: 0;"><b>APPLICATION FORM</b></p>    <p><b>Name of the Bidder</b>  <b>Form. No.</b>  <b>Date:</b></p>
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**QUALIFIED INSTITUTIONS PLACEMENT OF UP TO [●] EQUITY SHARES OF FACE VALUE ₹1 EACH (THE "EQUITY SHARES") FOR CASH, AT A PRICE OF ₹[●] PER EQUITY SHARE (THE "ISSUE PRICE"), INCLUDING A PREMIUM OF ₹[●] PER EQUITY SHARE, AGGREGATING TO ₹500 MILLION IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013, AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, AND THE RULES MADE THEREUNDER, EACH AS AMENDED (THE "COMPANIES ACT"), READ WITH CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "COMPANIES ACT"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND THE RULES MADE THEREUNDER BY THE VIKAS LIFECARE LIMITED (THE "COMPANY" OR THE "ISSUER", AND SUCH ISSUE, THE "ISSUE").**

**Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; or (b) restricted from participating in the Issue under the SEBI Regulations and other applicable laws, including foreign exchange related laws; are eligible to submit this Application Form ("Eligible QIBs"). In addition to the above, with respect to the Issue, Eligible QIBs shall consist of (i) QIBs which are resident in India; and (ii) Eligible FPIs participating through Schedule II of the FEMA Rules or a multilateral or bilateral development financial institution eligible to invest in India under applicable law. Further, foreign venture capital investors, as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, are not permitted to participate in the Issue. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws of the United States and, unless so registered, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in "offshore transactions" as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales made. There will be no public offering of the Equity Shares in the United States. You should note and observe the solicitation and distribution restrictions contained in the sections "Selling Restrictions" and "Transfer Restrictions and Purchaser Representations" on pages 131 and 140, of this Preliminary Placement Document respectively, in the accompanying preliminary placement document dated May 25, 2022 (the "PPD").**

**ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE THROUGH SCHEDULE II OF THE FEMA RULES, IN THIS ISSUE, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE. ALLOTMENTS MADE TO AIFS AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBs SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. ALLOTMENTS MADE TO AIFS AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING, THE FEMA RULES. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.**

**To,**  
**The Board of Directors**  
**The Vikas Lifecare Limited**  
G-1, 34/1, East Punjabi Bagh  
New Delhi - 110026, India

Dear Sirs,

We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations. We confirm that, in relation to our application, each foreign portfolio investor ("FPI") as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (other than individuals, corporate bodies and family offices), and including persons who have been registered under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (such FPIs, "Eligible FPIs"), have submitted separate Application Forms, and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the price and number of Equity Shares Bid for under each such scheme. We undertake that we will submit all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the applicant is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue.

STATUS (Insert '✓' for applicable category)			
<b>FI</b>	Scheduled Commercial Banks and Financial Institutions	<b>IC</b>	Insurance Companies
<b>MF</b>	Mutual Funds	<b>VCF</b>	Venture Capital Funds
<b>NIF</b>	National Investment Fund	<b>FPI</b>	Foreign Portfolio Investor*
<b>IF</b>	Insurance Funds	<b>AIF</b>	Alternative Investment Fund**
<b>SI-NBFC</b>	Systemically Important Non-Banking Financial Companies	<b>OTH</b>	Others (Please specify)

*Total shares currently held by QIB or QIBs belonging to the same group or those who are under common control. For details of what constitutes "same group" or "common control", see "Application Form" under Issue Procedure section of the PPD.*

*\*Foreign portfolio investors as defined under the Securities and Exchange*

*Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue*

*\*\* Sponsor and Manager should be Indian owned and controlled*

We note that the Board is entitled, in consultation with the BRLM in their sole discretion, to accept or reject this Application Form without assigning any reason thereof. We hereby accept the Equity Shares that may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD, Placement Document and the CAN, when issued and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account as per the details given below, subject to receipt of Application Form and the Bid Amount towards the Equity Shares that may be allocated to us. The amount payable by us as Bid Amount for the Equity Shares applied for has been/will be remitted to the designated bank account set out in this Application Form through electronic mode, along with this Application Form prior to or on Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the BRLM; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if there is a cancellation of the Issue, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount has been paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

By submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections "Notice to Investors", "Representations by Investors", "Issue Procedure", "Selling Restrictions" and "Transfer Restrictions and Purchaser Representations" sections of the PPD are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the BRLM, each of which is entitled to rely on and is relying on these representations and warranties in consummating the Issue.

By signing and submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided a serially numbered copy of the PPD along with the Application Form, have read it in its entirety including in particular, the section "Risk Factors" therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the BRLM or from any other source, including publicly



available information; (2) we will abide by the PPD and the Placement Document, this Application Form, the CAN and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the sole and absolute discretion of the Company in consultation with the BRLM and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLM; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue.

For the purposes of this representation: The expression ‘belong to the same group’ shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations i.e. entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, amongst the Eligible QIBs, its subsidiary or holding company and any other Eligible QIB; and ‘control’ shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; (9) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

We acknowledge that the Equity Shares have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. By submitting this Application Form and checking the applicable box above, we hereby represent that we are located outside the United States and purchasing the Equity Shares in an offshore transaction in reliance on Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales are made.

By submitting this Application Form, we further represent, warrant and agree that we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. No action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction. We satisfy any and all relevant suitability standards for investors in Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares. We acknowledge that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB.

<b>BIDDER DETAILS (In Block Letters)</b>	
<b>NAME OF BIDDER*</b>	
<b>NATIONALITY</b>	
<b>REGISTERED ADDRESS</b>	
<b>CITY AND CODE</b>	
<b>COUNTRY</b>	
<b>MOBILE NO.</b>	
<b>PHONE NO.</b>	<b>FAX NO.</b>
<b>EMAIL ID</b>	
<b>FOR ELIGIBLE FPIs**</b>	SEBI FPI REGISTRATION NO.
<b>FOR MF</b>	SEBI MF REGISTRATION NO.
<b>FOR AIFs***</b>	SEBI AIF REGISTRATION NO.
<b>FOR VCFs****</b>	SEBI VCF REGISTRATION NO.
<b>FOR SI-NBFC</b>	RBI REGISTRATION DETAILS

<b>FOR INSURANCE COMPANIES</b>	<b>IRDAI REGISTRATION DETAILS.</b>
<p><i>*Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund bidders are requested to provide details of the bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Issuer and the BRLM.</i></p> <p><i>** In case you are an Eligible FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.</i></p> <p><i>*** Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.</i></p>	

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, Allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under PAS-4 of the PAS Rules. For such information, the BRLM have relied on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

<b>DEPOSITORY ACCOUNT DETAILS</b>															
Depository Name	National Securities Depository Limited								Central Depository Services (India) Limited						
Depository Participant Name															
DP – ID	I	N													
Beneficiary Account Number									(16-digit beneficiary A/c. No. to be mentioned above)						

The demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. However, for the purposes of refund, if any, only the bank details as mentioned below, from which the Bid Amount has been remitted for the Equity Shares applied for in the Issue will be considered.

<b>PAYMENT DETAILS</b>
<b>REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER</b>
<b>By 3.30 p.m. (IST), [●],[●]</b>

<b>BANK ACCOUNT DETAILS FOR PAYMENT OF BID AMOUNT THROUGH ELECTRONIC FUND TRANSFER</b>			
<b>Name of the Account</b>	Vikas Lifecare Limited Escrow Account	<b>Account Type</b>	Escrow Account
<b>Name of Bank</b>	ICICI Bank Limited	<b>Address of the Branch of the Bank</b>	ICICI Bank Limited, Capital Market Division, 163, 5 <sup>th</sup> Floor, H.T.Parekh Marg, Backbay Reclamation, Churchgate, Mumbai 400020
<b>Account No.</b>	000405134719	<b>IFSC</b>	ICIC0000004
<b>Tel No.</b>	+22 66818911/ 923/ 924	<b>E-mail</b>	<a href="mailto:Sagar.welkat@icicibank.com">Sagar.welkat@icicibank.com</a> / <a href="mailto:ipocmg@icicibank.com">ipocmg@icicibank.com</a>

The Bid Amount should be transferred pursuant to the Application Form only by way of electronic fund transfers, towards the Escrow Account. Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Issue Period i.e. prior to or on the Issue Closing Date. All payments must be made in favor of "**Vikas Lifecare Limited-Escrow Account**". The payment for subscription to the Equity Shares to be allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.

<b>RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)</b>			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	

<b>NO. OF EQUITY SHARES BID FOR</b>		<b>PRICE PER EQUITY SHARE (RUPEES)</b>	
(In Figures)	(In Words)	(In Figures)	(In Words)
<b>BID AMOUNT (RUPEES)</b>			
(In Figures)		(In Words)	

DETAILS OF CONTACT PERSON	
Name	
Address:	
Tel. No:	Fax No:
Email:	

OTHER DETAILS	
PAN*	
Date of Application	
Signature of Authorized Signatory (may be signed either physically or digitally)	

ENCLOSURES TO BE SUBMITTED*
<input type="checkbox"/> Copy of the PAN Card or PAN allotment letter**
<input type="checkbox"/> FIRC
<input type="checkbox"/> Copy of the SEBI registration certificate as a Mutual Fund
<input type="checkbox"/> Copy of the SEBI registration certificate as an Eligible FPI
<input type="checkbox"/> Copy of the SEBI registration certificate as an AIF
<input type="checkbox"/> Copy of the SEBI registration certificate as a VCF
<input type="checkbox"/> Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a scheduled commercial bank
<input type="checkbox"/> Copy of notification as a public financial institution
<input type="checkbox"/> Copy of the IRDAI registration certificate
<input type="checkbox"/> Certified true copy of power of attorney
<input type="checkbox"/> Others, please specify _____

\*A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practicable.

\*\*Please note that the Bidder should not mention the GIR number or any other identification number instead of the PAN, unless the Bidder is exempted from requirement of obtaining a PAN under the Income-tax Act, 1961, as the application is liable to be rejected on this ground.

**Note 1:** Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD and Placement Document.

**Note 2:** The Application Form may be rejected if any information provided is incomplete or inadequate, at the discretion of the Company in consultation with the BRLM.

**Note 3:** The duly filed Application Form along with all enclosures shall be submitted to the Book Running Lead Manager either through electronic form at the email mentioned in the PPD or through physical deliver at the address mentioned in PPD.

The Application Form and the PPD sent to you and the Placement Document which will be sent to you in electronic form, are specific to you and you may not distribute or forward the same and are subject to the disclaimers and restrictions contained or accompanying these documents