RED HERRING PROSPECTUS
Dated: March 6, 2019
Please read Section 32 of the Companies Act, 2013
Book Built Offer

MSTC LIMITED

Our Company was incorporated as "Metal Scrap Trade Corporation Limited", under the provisions of the Companies Act, 1956 on September 9, 1964 at Kolkata and the Certificate of Incorporation was issued by the Registrar of Companies, West Bengal at Kolkata ("**RoC**"). Subsequently the name of our Company was changed to "MSTC Limited" pursuant to the special resolution passed by the shareholders in the general meeting held on September 26, 1994 and a fresh certificate of incorporation consequent upon such change of name was issued by the RoC on November 9, 1994. For details of change in the name and Registered Office of our Company, please refer to the section titled "*History and Certain Corporate Matters*" on page 135 of this Red Herring Prospectus.

Registered and Corporate Office: 225-C, A. J. C. Bose Road, Kolkata – 700 020, West Bengal, India; **Contact Person:** Ajay Kumar Rai, Company Secretary and Compliance Officer
Tel: +91-033-2281-3088; **Email:** cosec@mstcindia.co.in; **Website**: www.mstcindia.co.in; **Corporate Identity Number**: U27320WB1964GOI026211

OUR PROMOTER: THE PRESIDENT OF INDIA ACTING THROUGH THE MINISTRY OF STEEL, GOVERNMENT OF INDIA

INITIAL PUBLIC OFFERING OF UPTO 17,670,400 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF MSTC LIMITED ("OUR COMPANY") THROUGH AN OFFER FOR SALE BY THE PRESIDENT OF INDIA, ACTING THROUGH THE MINISTRY OF STEEL, GOVERNMENT OF INDIA (THE "SELLING SHAREHOLDER") FOR CASH AT A PRICE* OF ₹ [●] PER EQUITY SHARE (THE "OFFER PRICE"), AGGREGATING TO ₹ [●] MILLION (THE "OFFER"). THE OFFER INCLUDES A RESERVATION OF UP TO 70,400 EQUITY SHARES AGGREGATING TO ₹[●] MILLION FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREIN) FOR ALLOCATION AND ALLOTMENT ON A PROPORTIONATE BASIS ("EMPLOYEE RESERVATION PORTION"). THE OFFER LESS EMPLOYEE RESERVATION PORTION IS REFERRED TO AS THE NET OFFER. THE OFFER AND THE NET OFFER WILL CONSTITUTE 25.10% AND 25.00% RESPECTIVELY, OF THE POST OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF EQUITY SHARES IS ₹ 10 EACH. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND, THE RETAIL DISCOUNT, EMPLOYEE DISCOUNT AND THE MINIMUM BID LOT SIZE WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDER IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN ALL EDITIONS OF ENGLISH NATIONAL DAILY NEWSPAPER, FINANCIAL EXPRESS, ALL EDITIONS OF HINDI NATIONAL DAILY NEWSPAPER, JANSATTA AND KOLKATA EDITION OF BENGALI DAILY NEWSPAPER, ARTHIK LIPI, (BENGALI BEING THE REGIONAL LANGUAGE OF KOLKATA, WHERE OUR REGISTERED OFFICE IS LOCATED) EACH WITH WIDE CIRCULATION, AT LEAST TWO (2) WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

A discount of ₹ **[●] per Equity Share on the Offer Price will be offered to the Retail Individual Bidders ("**Retail Discount**") and a discount of ₹ **[●]** per Equity Share on the Offer Price will be offered to the Eligible Employees bidding in the Employee Reservation Portion ("**Employee Discount**").*

In case of any revision to the Price Band or in case of force majeure, banking strike or similar circumstances, the Bid/Offer Period will be extended by at least three (3) additional Working Days, following such an event, subject to the Bid/Offer Period not exceeding ten (10) Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the website of the BRLM and at the terminals of the Syndicate Member and by intimation to Self-Certified Banks ("**SCSBs**"), the Sponsor Bank, and other Designated Intermediaries, as applicable.

This Offer is being made in terms of rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"), read with Regulation 31 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"). The Offer is being made through Book Building Process in terms of Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") ("**QIB Portion**"). 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, upto 70,400 additional Equity Shares has been reserved for allocation and Allotment on a proportionate basis to Eligible Employees bidding in the Employee Reservation Portion, subject to valid bids being received from them at or above the Offer Price. All Bidders, shall mandatorily participate in the Offer through an Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective bank account in which Bid Amount will be blocked. For details, please refer to the section titled "*Offer Procedure*" on page 286 of this Red Herring Prospectus.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Floor Price, Cap Price and Offer Price (determined by our Company and the Selling Shareholder in consultation with the BRLM in accordance with the SEBI ICDR Regulations) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares, nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Offered Shares have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to the section titled "*Risk Factors*" on page 25 of this Red Herring Prospectus.

OUR COMPANY'S AND THE SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company, and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Selling Shareholder accepts responsibility for and confirms the statements made by it in this Red Herring Prospectus to the extent of information specifically pertaining to itself and the Equity Shares being sold by it in the Offer for Sale and assume responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received an 'in-principle' approval from BSE and NSE for the listing of the Equity Shares pursuant to letters dated February 13, 2019 and February 18, 2019, respectively. For the purposes of the Offer, the Designated Stock Exchange shall be BSE. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents which shall be available for inspection from the date of the Red Herring Prospectus, up to the Bid/ Offer Closing Date, please refer to the section titled "*Material Contracts and Documents for Inspection*" on page 331 of this Red Herring Prospectus.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE OFFER
Equirus	alankit
Equirus Capital Private Limited 12th Floor, C Wing, Marathon Futurex N. M. Joshi Marg, Lower Parel, Mumbai 400 013, Maharashtra, India **Tel.:** +91-22-4332-0600 **Email:** mstcl.ipo@equirus.com **Investor Grievance E-mail:** investorsgrievance@equirus.com **Website:** www.equirus.com **Contact Person:** Ankesh Jain/Gaurav Phadke **SEBI Registration No.:** INM000011286	**Alankit Assignments Limited** 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi -110 055 **Tel:** +91-11-4254-1951/+91-22-4348-1200 **E-mail**: sarunraj@alankit.com/ saching@alankit.com **Investor Grievance E-mail:** mstcigr@alankit.com **Website:** www.alankit.com **Contact Person:** S. Arunraj/Sachin Gupta **SEBI Registration No.:** INR000002532

BID/ OFFER SCHEDULE

BID/OFFER OPENS ON	**WEDNESDAY, MARCH 13, 2019**
BID/ OFFER CLOSES ON	**FRIDAY, MARCH 15, 2019**

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TABLE OF CONTENTS

SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, circular, notification or clarification or policy shall be to such legislation, act, regulation, rule, guideline, circular, notification or clarification or policy, as amended, supplemented or re-enacted from time to time any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Red Herring Prospectus 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.

General Terms

Term	Description
"Company", "our Company", "the Company" or "MSTC"	MSTC Limited, a company incorporated under the Companies Act, 1956, having its Registered Office at 225-C, A. J. C. Bose Road, Kolkata - 700020, West Bengal, India.
"we", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiary and Joint Venture Company.

Company Related Terms

Term	Description
"Articles" or "Articles of Association" or "AoA"	The articles of association of our Company, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as our Company's audit committee in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013. For details, please refer to the section titled "*Our Management*" on page 157 of this Red Herring Prospectus.
"Board" or "Board of Directors"	The board of directors of our Company (including any duly constituted committee thereof).
CPSE Capital Restructuring Guidelines	The office memorandum bearing F. No. 5/2/2016-Policy dated May 27, 2016, issued by DIPAM on Guidelines on Capital Restructuring of Central Public Sector Enterprises.
CSR	Corporate Social Responsibility.
CSR Committee	The committee of the Board of Directors constituted as our Company's corporate social responsibility committee in accordance with the Companies Act, 2013.
DIPAM	Department of Investment and Public Asset Management, Ministry of Finance, GoI.
DPE	Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, GoI.
Director(s)	The director(s) of the Board of our Company, unless otherwise specified.
Equity Shares	The equity shares of our Company of the face value of ₹ 10 each.
Government Nominee Director	Nominee Director(s) on our Board as appointed by the GoI acting through MoS.
Group Company	Companies (other than our Subsidiary) with which there were related party transactions as disclosed in the Restated Financial Statements in this Red Herring Prospectus as covered under the applicable accounting standards, and also other companies as considered material by our Board, and the same

Term	Description
	is disclosed in the section titled "*Our Group Company"* on page 165 of this Red Herring Prospectus.
Independent Directors	Independent Director(s) on our Board. For details of the Independent Directors, please refer to the section titled "*Our Management*" on page 144 of this Red Herring Prospectus.
JVA	A joint venture agreement entered between our Company and MIL dated August 8, 2016.
"Joint Venture Company" or "JVC"	Mahindra MSTC Recycling Private Limited, a private limited company incorporated under the Companies Act, 2013 formed pursuant to a joint venture agreement dated August 8, 2016 between our Company and MIL.
"Key Management Personnel" or "KMP"	Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and as disclosed in the section titled "*Our Management*" on page 162 of this Red Herring Prospectus.
Materiality Policy	A policy adopted by our Company, in its Board meeting held on January 11, 2019, for identification of group companies, material creditors and material litigations.
"Memorandum of Association" or "MoA"	The memorandum of association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The nomination and remuneration committee of the Board of Directors, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulation and as described in the section titled "*Our Management*" on page 160 of this Red Herring Prospectus.
Promoter	The President of India acting through the Ministry of Steel, Government of India.
"Registered Office" or "Registered and Corporate Office"	225-C, A. J. C. Bose Road, Kolkata – 700 020, West Bengal, India.
"Registrar of Companies" or "RoC"	The Registrar of Companies, West Bengal at Kolkata, India.
Restated Financial Statements	The restated consolidated financial information of our Company, which comprises of the restated consolidated statement of assets and liabilities, the restated consolidated statement of profit and loss, restated consolidated statement of changes in equity and the restated consolidated statement of cash flows, as at and for the half year period ended on September 30, 2018 and for the Fiscals 2018, 2017 and 2016 prepared in accordance with Ind-AS read with Section 133 of the Companies Act, 2013. The restated financial information for Fiscal 2016 is refered to as the proforma Ind-AS restated financial information as per the Guidance Note on reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India.
SEBI Exemption Letter	The exemption letter having reference number SEBI/ERO/CM OW/P/2019/05648/1 dated February 28, 2019 issued by SEBI whereby our Company has received relaxation from the strict enforcement of certain requirements under the SEBI ICDR Regulations and SEBI Listing Regulations.
Selling Shareholder	The President of India, acting through the Ministry of Steel, Government of India.
Shareholders	The holders of the Equity Shares of our Company.
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of the Board of Directors constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations as described in the section

Term	Description
	titled "*Our Management*" on page 161 of this Red Herring Prospectus.
"Statutory Auditor" or "Auditor"	The statutory auditor of our Company, namely, D.K Chhajer & Co., Chartered Accountants.
Subsidiary	The subsidiary of our Company namely, Ferro Scrap Nigam Limited. For details, please refer to the section titled "*Our Subsidiary*" on page 142 of this Red Herring Prospectus.

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form.
"Allot" or "Allotment" or "Allotted"	Transfer of Offered Shares to successful Bidders pursuant to the Offer for Sale by the Selling Shareholder.
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom the Allotment is made.
"Application Supported by Blocked Amount" or "ASBA"	An application, whether physical or electronic, used by a Bidder, to make a Bid and authorize a SCSB to block the Bid Amount in the specified bank account maintained with such SCSB and will include amounts blocked by RIBs using the UPI Mechanism.
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB or the account of the RIB blocked upon acceptance of UPI Mandate Request by RIBs using the UPI Mechanism to the extent of the Bid Amount of the Bidder/Applicant.
ASBA Bid	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
ASBA Bidder	Any Bidder in the Offer who intends to submit a Bid.
ASBA Form	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Bidders and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Bankers to the Offer	Banks which are clearing members and registered with SEBI as bankers to an offer and with whom the Public Offer Account will be opened, in this case being HDFC Bank Limited and ICICI Bank Limited.
Basis of Allotment	The basis on which the Offered Shares will be Allotted to successful Bidders under the Offer as described in the section titled "*Offer Procedure*" on page 286 of this Red Herring Prospectus.
"Bid(s)" or "Bidding"	An indication by a Bidder to make an offer during the Bid/Offer Period pursuant to submission of the ASBA Form, to subscribe to or purchase the Offered Shares at a price within the Price Band, including all revisions and modifications thereto, as permitted under the SEBI ICDR Regulations and in terms of this Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder or as blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in this Offer which shall be net of the Employee Discount and/or Retail Discount, as applicable.

Term	Description
Bid cum Application Form	The ASBA Form.
Bid Lot	[●] Equity Shares.
"Bid" or "Offer Closing Date"	The date after which the Designated Intermediaries will not accept any Bids, being March 15, 2019. In case of any revision, the extended Bid/ Offer Closing Date shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the BRLM and at the terminals of the Syndicate Member, as required under the SEBI ICDR Regulations and also intimate to SCSBs, the Sponsor Bank, and Registered Brokers, RTA and CDPs. Our Company and the Selling Shareholder, in consultation with the BRLM, may consider closing the Bid/ Offer Period for QIBs one (1) Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulation.
"Bid" or "Offer Opening Date"	The date on which the Designated Intermediaries shall start accepting Bids, being March 13, 2019.
"Bid" or "Offer Period"	The period between the Bid/ Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations.
"Bidder" or "Applicant"	Any prospective investor who makes a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which this Offer is being made.
"Book Running Lead Manager" or "BRLM"	The book running lead manager to this Offer, being Equirus Capital Private Limited.
Broker Centres	The broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time.
Cap Price	The higher end of the Price Band, above which the Offer Price will not be finalised and above which no Bids will be accepted.
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account.
"Collecting Depository Participant" or "CDP"	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the websites of BSE and NSE.

Term	Description
Cut-off Price	The Offer Price finalised by our Company and the Selling Shareholder, in consultation with the BRLM which shall be any price within the Price Band. Only Retail Individual Bidders and the Eligible Employees bidding in the Retail Portion and Employee Reservation Portion, respectively are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/ husband, investor status, occupation and bank account details and UPI ID wherever applicable.
Designated CDP Locations	Such locations of the CDPs where ASBA Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
Designated Date	The date on which the SCSBs unblock funds from the ASBA Accounts and transfer the amounts blocked by the SCSBs, from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as the case may be, in terms of this Red Herring Prospectus and the Prospectus, and the aforesaid transfer and instructions shall be issued only after finalization of Basis of Allotment in consultation with the Designated Stock Exchange.
Designated Intermediary(ies)	Collectively, the Syndicate, Sub-Syndicate Members/ agents, SCSBs, Registered Brokers, the CDPs and RTAs, who are authorized to collect the ASBA Forms from the ASBA Bidders, in relation to this Offer.
Designated RTA Locations	Such locations of the RTAs where ASBA Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms used by the ASBA Bidders, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi =yes&intmId=35 or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	BSE Limited.
"Draft Red Herring Prospectus" or "DRHP"	The draft red herring prospectus dated January 30, 2019, prepared and issued in accordance with the SEBI ICDR Regulations, except for such relaxations as specified and granted under the SEBI Exemption Letter, which does not contain complete particulars of the price at which the Offered Shares will be Allotted and the size of this Offer, including any addenda or corrigenda thereto.
Eligible Employee(s)	A permanent employee or a Director of our Company, working in India or outside India, whether whole-time or not as of the date of registration of this Red Herring Prospectus with the RoC and who is the employee at the time of submission of the Bid, but not including Directors who either themselves or through their relatives or through any body corporate, directly or indirectly, hold more than 10% of the outstanding Equity Shares of our Company. Directors, Key Managerial Personnel and other employees of our Company involved in the Offer Price fixation process cannot participate in this Offer

Term	Description
	(as per Model Conduct, Discipline and Appeal Rules of CPSEs and office memorandum of DPE dated June 16, 2009 and July 28, 2009) and will not constitute Eligible Employees for the purposes of this Offer. An employee of our Company who is recruited against a regular vacancy but is on probation as on the date of submission of the ASBA Form will also be deemed a "permanent employee" of our Company.
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under this Offer and in relation to whom the ASBA Form and this Red Herring Prospectus will constitute an invitation to subscribe or to purchase the Offered Shares.
Employee Discount	A discount of ₹ [●] on the Offer Price which will be offered to Eligible Employees bidding in the Employee Reservation Portion, subject to the Bid Amount not exceeding ₹ 500,000.
Employee Reservation Portion	The portion of the Offer being upto 70,400 Equity Shares reserved for allocation and allotment on a proportionate basis to Eligible Employees through this Offer. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000 (excluding Employee Discount). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000 (excluding Employee Discount). Only in the event of an under-subscription in the Employee Reservation Portion post the initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000 (excluding Employee Discount), subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000 (excluding Employee Discount).
"First Bidder" or "Sole Bidder"	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids and whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price will be finalized and below which no Bids will be accepted.
Mutual Fund Portion	5% of the QIB Portion, or 660,000 Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Offer	The Offer less the Employee Reservation Portion i.e. 17,600,000.
Non-Institutional Bidders	All Bidders including category III FPI's that are not QIBs or Retail Individual Bidders or Eligible Employees bidding in the QIB Portion, Retail Portion or Employee Reservation Portion, respectively and who have Bid for the Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs.
Non-Institutional Portion	The portion of this Offer being not more than 15% of the Net Offer comprising of 2,640,000 Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price.
"Non-Resident" or "NR"	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FVCIs and FPIs.
"Offer" or "Offer for Sale"	The initial public offering of our Company through the offer for sale of 17,670,400 Equity Shares by the Selling Shareholder at the Offer Price of

Term	Description
	₹ [●] each, aggregating to ₹ [●] million, in terms of the Red Herring Prospectus. The Offer comprises of the Net Offer and the Employee Reservation Portion. The Offer includes a reservation of up to 70,400 Equity Shares aggregating to ₹ [●] million for subscription by Eligible Employees. The Offer less Employee Reservation Portion is referred to as the Net Offer. The Offer and the Net Offer will constitute 25.10% and 25.00% respectively, of the post Offer paid-up Equity Share capital of our Company.
Offer Agreement	The agreement dated January 30, 2019 entered among the Selling Shareholder, our Company and the BRLM pursuant to which certain arrangements are agreed to in relation to this Offer.
Offer Price	The final price (net of Retail Discount and/or Employee Discount, as applicable) within the Price Band at which the Offered Shares will be Allotted to successful Bidders in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company and the Selling Shareholder in consultation with the Book Running Lead Manager on the Pricing Date.
Offer Proceeds	The proceeds of this Offer that are available to the Selling Shareholder based on the total number of Offered Shares Allotted under this Offer at the Offer Price.
Offered Shares	17,670,400 Equity Shares being offered for sale by the Selling Shareholder in this Offer.
Pre-Offer Advertisement	The pre-Offer advertisement to be published by our Company under Regulation 43 of the SEBI ICDR Regulations and Section 30 of the Companies Act, 2013 after registration of the Red Herring Prospectus with the RoC, in all editions of the English national daily newspaper, Financial Express and all editions of the Hindi national daily newspaper, Jansatta and Kolkata edition of Bengali daily newspaper, Arthik Lipi, (Bengali being the regional language of Kolkata, West Bengal, where our Registered Office is located) each with wide circulation, respectively.
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price), including any revisions thereof. The Price Band, the Retail Discount, the Employee Discount and the minimum Bid Lot size for this Offer will be decided by our Company and the Selling Shareholder, in consultation with the BRLM, and will be advertised, at least two (2) Working Days prior to the Bid/ Offer Opening Date in all editions of the English national daily newspaper, Financial Express and all editions of the Hindi national daily newspaper, Jansatta and Kolkata edition of Bengali daily newspaper, Arthik Lipi, (Bengali being the regional language of Kolkata, West Bengal, where our Registered Office is located) each with wide circulation, respectively, along with the relevant financial ratios calculated at the Floor Price and the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Pricing Date	The date on which our Company and the Selling Shareholder, in consultation with the BRLM, will finalise the Offer Price.
Prospectus	The prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations containing, inter alia, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information including any addenda or corrigenda thereto.

Term	Description
Public Offer Account	A bank account to be opened with the Bankers to the Offer by our Company under Section 40(3) of the Companies Act, 2013 to receive monies from the ASBA Accounts on the Designated Date or Public Offer Account Agreement (as the case may be).
Public Offer Account Bank	A bank which is a clearing member and registered with SEBI as a banker to an issue and with which the Public Offer Account will be opened, in this case being HDFC Bank Limited and ICICI Bank Limited.
Public Offer Account Agreement	Agreement dated March 6, 2019 among the Selling Shareholder, our Company, the BRLM, the Syndicate Member, the Sponsor Bank, the Refund Bank, the Registrar to the Offer and the Bankers to the Offer for receipt of the Bid Amounts from the ASBA Accounts on the Designated Date and if applicable, refund of amounts collected from Bidders, on the terms and conditions thereof.
"QIB Category" or "QIB Portion"	The portion of the Net Offer being not less than 75% of the Net Offer comprising of 13,200,000 Equity Shares which shall be available for allocation to QIBs subject to valid Bids being received at or above the Offer Price.
"Qualified Institutional Buyers" or "QIBs" or "QIB Bidders"	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations who Bid on this Offer.
"Red Herring Prospectus" or "RHP"	This red herring prospectus dated March 6, 2019 to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, except for such relaxations as specified and granted under the SEBI Exemption Letter, which does not have complete particulars of the price at which the Offered Shares will be offered and the size of this Offer, including any addenda or corrigenda thereto. This Red Herring Prospectus will be registered with the RoC at least three (3) Working Days before Bid/ Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account	The account to be opened with the Refund Bank from which the refunds, if any, of the whole or part of the Bid Amount to the Bidder shall be made.
Refund Bank	The Bankers to the Offer with whom the Refund Account will be opened in this case being HDFC Bank Limited and ICICI Bank Limited.
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock brokers and Sub-Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Book Running Lead Manager and Members of the Syndicate, and eligible to procure Bids in terms of circular no. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI.
Registrar Agreement	The agreement dated January 30, 2019 entered into between our Company, the Selling Shareholder and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to this Offer.
"Registrar and Share Transfer Agents" or "RTAs"	The registrar and the share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the websites of BSE and NSE.
"Registrar to the Offer" or "Registrar"	Alankit Assignments Limited.
Resident Indian	A person resident in India, as defined under FEMA.
Retail Discount	Discount of ₹ [●] on the Offer Price, which will be given to Retail Individual Bidders in the Retail Portion.

Term	Description
"Retail Individual Bidder(s)" or "RIB(s)"	Individual Bidders, who have Bid for the Offered Shares for an amount not more than ₹ 200,000 in any of the bidding options in this Offer (including HUFs applying through their Karta and Eligible NRIs) and does not include NRIs (other than Eligible NRIs).
Retail Portion	The portion of Net Offer being not more than 10% of the Net Offer consisting of 1,760,000 Equity Shares, available for allocation to Retail Individual Bidder(s) in accordance with the SEBI ICDR Regulations subject to valid Bids being received at or above the Offer Price.
Revision Form	Form used by the Bidders to modify the quantity of the Offered Shares Bid for, or the Bid Amount in any of their ASBA Forms or any previous Revision form(s). QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity and of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion can revise their Bids during the Bid/ Offer Period or withdraw their Bids until the Bid/Offer Closing Date.
"Self-Certified Syndicate Bank(s)" or "SCSB(s)"	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) or such other websites as may be prescribed by SEBI or updated from time to time.
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement, namely, Alankit Assignments Limited.
Share Escrow Agreement	Agreement to be entered into amongst the Selling Shareholder, our Company and the Share Escrow Agent in connection with the transfer of Offered Shares and credit of such Offered Shares to the demat account of the Allottees.
Specified Locations	Bidding Centres where the Syndicate shall accept ASBA Forms from the Bidders, a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time.
Sponsor Bank	The Banker(s) to the Offer registered with SEBI which is appointed by our Company and Selling Shareholder to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the RIBs into the UPI, the sponsor bank in this case being ICICI Bank Limited.
Stock Exchanges	BSE Limited and National Stock Exchange of India Limited.
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Member, to collect the ASBA Forms and revision forms.
Syndicate Agreement	The agreement dated March 6, 2019, entered into between the BRLM, the Syndicate Member, our Company and the Selling Shareholder in relation to the collection of the ASBA Forms by the Syndicate Member.
Syndicate Member	Equirus Securities Private Limited.
"Syndicate" or "Members of the Syndicate"	Together, the BRLM and the Syndicate Member.
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Underwriters	[●].
Underwriting Agreement	The agreement dated [●] entered into among the Underwriters, our Company and the Selling Shareholder on or after the Pricing Date but prior

Term	Description
	to the registration of the Prospectus with the RoC.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI application and by way of a SMS directing the RIB to such UPI application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a RIB to make a Bid in the Offer in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018.
UPI PIN	Password to authenticate UPI transaction.
US QIB	Shall have the meaning as defined in Rule 144A promulgated under the Securities Act of 1933.
Wilful Defaulter	A company or person, as the case may be, categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI and includes any company whose director or promoter is categorized as such.
Working Day	The days on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price Band; and (ii) Bid / Offer Period, "Working Day" shall mean all days, excluding all Sundays, Saturdays and public holidays, on which commercial banks in Mumbai are open for business; (iii) the time period between the Bid / Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

Technical/ Industry Related Terms/ Abbreviations

Term	Description
CMMI	Capability Maturity Model Integration.
CPPP	Central Public Procurement Portal.
CRWC	Central Railside Warehouse Company Limited.
DDUGJY	Deen Dayal Upadhyaya Gram Jyoti Yojana.
DEEP	Discovery of Efficient Electricity Price.
DeitY	Department of Electronics and Information Technology.
EMD	Earnest Money Deposit.
E-RaKam	E-Rastriya Kishan Agri Mandi.
ERP	Enterprise Resource Planning.
FPOs	Farmer Producer Organizations.
IPDS	Integrated Power Development Scheme.
IPS	Intrusion Prevention Systems.
LPG	Liquefied Petroleum Gas.
MeITY	Ministry of Electronics and Information Technology.
MIL	Mahindra Intertrade Limited.

Term	Description
MMRPL	Mahindra MSTC Recycling Private Limited.
MSME	Micro, Small & Medium Enterprises.
NCDEX	National Commodity and Derivatives Exchange.
NIC	National Informatics Centre.
NITI	National Institution for Transforming India.
OMC	Oil Marketing Companies.
PPP	Public Private Partnership.
SAIL	Steel Authority of India Limited.
SMEs	Small and Medium Enterprises.
SKU	Stock Keeping Unit.
STQC	Standardisation Testing and Quality Certification.
UNCTAD	United Nations Conference on Trade and Development.

Conventional and General Terms or Abbreviations

Term	Description
"₹" or "Rs." or "Rupee(s)" or "INR"	Indian Rupees, the official currency of the Republic of India.
AGM	Annual General Meeting.
AIF	Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations.
Air Act	The Air (Prevention and Control of Pollution) Act, 1981.
AY	Assessment Year.
BSE	BSE Limited.
Bn	Billion.
CAG	Comptroller and Auditor General.
CAGR	Compounded Annual Growth Rate (as a %): (End Year/Base Year) ^ (1/No. of years between Base year and End year) – 1 [^ denotes 'raised to'].
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations.
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations.
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations.
Category-I Foreign Portfolio Investors	FPIs who are registered with SEBI as "Category I foreign portfolio investors" under the SEBI FPI Regulations.
Category-II Foreign Portfolio Investors	FPIs who are registered with SEBI as "Category II foreign portfolio investors" under the SEBI FPI Regulations.
Category-III Foreign Portfolio Investors	FPIs who are registered with SEBI as "Category III foreign portfolio investors" under the SEBI FPI Regulations.
CDSL	Central Depository Services (India) Limited.
CFO	Chief Financial Officer.
CIN	Corporate Identity Number.
Client ID	Client identification number of the Bidders beneficiary account.
Consolidated FDI Policy	Consolidated FDI Policy of 2017 issued by the DIPP by circular D/o IPP F.

Term	Description
	No. 5(1)/2017-FC-1 with effect from August 28, 2017.
Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as applicable.
Companies Act, 1956	Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections) along with the relevant rules made thereunder.
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections as of the date of the Draft Red Herring Prospectus, as amended from time to time, along with the relevant rules made thereunder.
Competition Act	The Competition, Act 2002 along with the relevant rules made thereunder as amended from time to time.
COPU	Committee of Public Undertakings.
CPC	Code of Civil Procedure Code, 1908.
CPSE	Central Public Sector Enterprise.
CRP	Credit Risk Premium.
CrPC	Code of Criminal Procedure, 1973.
CVC	Central Vigilence Commission.
Depositories	Together, NSDL and CDSL.
Depositories Act	The Depositories Act, 1996.
DIN	Director Identification Number.
DIPAM	Department of Investment and Public Asset Management, Ministry of Finance, Government of India.
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India.
DP ID	Depository Participant’s Identification Number.
“DP” or “Depository Participant”	A depository participant as defined under the Depositories Act.
DPE	Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of India.
DRT	Debt Recovery Tribunal.
“Dun & Bradstreet” or “D&B-India”	Dun & Bradstreet Information Services India Private Limited.
EBITDA	Earnings before interest, taxes, depreciation, and amortization.
ECB	External Commercial Borrowing.
EGM	Extraordinary General Meeting.
ELVs	End of Life Vehicles.
EPA	Environment Protection Act, 1986.
EPS	Earnings Per Share.
ESI Act	Employees State Insurance Act, 1948.
EU	European Union.
EXIM	Export–Import Bank of India.
FCNR	Foreign Currency Non-Resident.
FDI	Foreign Direct Investment.
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder.

Term	Description
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017.
“Financial Year” or “FY” or “Fiscal” or “Fiscal Year”	Unless stated otherwise, the period of twelve (12) months ending March 31 of that particular year.
FPI(s)	A foreign portfolio investor as defined under the SEBI FPI Regulations.
FTA	Foreign Trade (Development and Regulation) Act, 1992.
FTP	Foreign Trade Policy (2015 - 2020).
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations.
GAAR	General Anti Avoidance Rules.
GDP	Gross Domestic Product.
GIR	General Index Register.
“GoI” or “Government”	Government of India including central government and State Government.
GST	Goods and Services Tax.
Hazardous Chemical Rules	Manufacture, Storage and Import of Hazardous Chemical Rules, 1989.
HUF	Hindu Undivided Family.
IBC	Insolvency and Bankruptcy Code, 2016.
ICAI	The Institute of Chartered Accountants of India.
ICDS	Income Computation and Disclosure Standards.
IDA	Industrial Dearness Allowance.
IEPF	Investor Education Provident Fund.
IFRS	International Financial Reporting Standards.
Income Tax Act	The Income Tax Act, 1961.
Ind-AS	Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with Ind-AS Rules.
Ind-AS Rules	Companies (Indian Accounting Standards) Rules, 2015.
Ind-GAAP	Generally Accepted Accounting Principles in India.
India	Republic of India.
IPC	Indian Penal Code, 1860.
IPO	Initial Public Offering.
IRDAI	Insurance Regulatory and Development Authority of India.
IST	Indian Standard Time.
IT	Information Technology.
IT Act	Information Technology Act, 2000.
LC	Letters of Credit.
Listing Agreement	Listing agreement to be entered into by our Company with the Stock Exchanges.
Mn	Million.
MT	Metric Tonnes.
MCA	The Ministry of Corporate Affairs, Government of India.
MoS	Ministry of Steel, Government of India.
MoU	Memorandum of Understanding.
“N.A.” or “NA”	Not Applicable.

Term	Description
NAV	Net Asset Value.
NACH	National Automated Clearing House.
NCLT	National Company Law Tribunal.
NECS	National Electronic Clearing Service.
NEFT	National Electronic Fund Transfer.
NI Act	Negotiable Instruments Act, 1981.
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA.
NPAs	Non Performing Assets.
NPCI	National Payments Corporation of India.
NRE Account	Non-Resident External Account.
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016 and in force from time to time.
NRO Account	Non-Resident Ordinary Account.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
OM	Office Memorandum.
OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permissions granted to OCBs under FEMA. OCBs are not allowed to invest in this Offer.
p.a.	Per annum.
P/E Ratio	Price/Earnings Ratio.
PAN	Permanent Account Number.
PAT	Profit After Tax.
PIL	Public Interest Litigation.
PMLA	Prevention of Money Laundering Act, 2002.
PSU	Public Sector Undertaking.
RBI	Reserve Bank of India.
RTI	Right to Information Act, 2005.
RoNW	Return on Net Worth.
RTGS	Real Time Gross Settlement.
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012.

Term	Description
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SEBI Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
SEBI Portfolio Manager Regulations	Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993.
SEBI Stock Brokers Regulations	Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992.
Securities Act	United States Securities Act of 1933.
State Government	The government of a state in India.
STT	Securities Transaction Tax.
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
"U.K." or "UK"	United Kingdom.
UPI	Unified payments interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account.
"U.S." or "U.S.A." or "United "States"	United States of America.
"USD" or "US$"	United States Dollars.
VAT	Value Added Tax.
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be.
WBHIDCO	West Bengal Housing Infrastructure Development Corporation Limited.

Notwithstanding the foregoing, capitalized terms in "*Basis for Offer Price*", "*Statement of Tax Benefits*", *"Key Regulations and Policies"*, "*Financial Statements*", "*Outstanding Litigation and Other Material Developments*", "*Offer Procedure*" and "*Main Provisions of the Articles of Association*" on pages 84, 87, 132, 169, 240, 286 and 303 respectively of this Red Herring Prospectus, shall have the meaning as ascribed to such terms in such sections.

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references in this Red Herring Prospectus to "India" are to the Republic of India and all references to the "U.S.", "U.S.A." or "United States" are to the United States of America. All references to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Red Herring Prospectus is in Indian Standard Time.

Financial Data

Unless stated otherwise, the financial information in this Red Herring Prospectus is derived from our Restated Financial Statements prepared in accordance with Ind-AS, the Companies Act and restated in accordance with the SEBI ICDR Regulations.

Our Company's Financial Year commences on April 1 and ends on March 31 of the following year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The Restated Financial Statements have been prepared, based on financial statements as at and for the half year period ended on September 30, 2018 and the Fiscals 2018, 2017 and 2016, in accordance with Ind-AS notified under Section 133 of Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and other applicable provisions of the Companies Act, 2013.

There are significant differences between Ind-GAAP, Ind-AS and US GAAP and IFRS while a limited reconciliation of Ind-GAAP and Ind-AS numbers are provided. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Red Herring Prospectus and it is urged that you consult your 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 Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

EBITDA presented in this Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind-GAAP, Ind-AS, IFRS or US GAAP. Furthermore, EBITDA is not a measurement of our financial performance or liquidity under Ind-GAAP, Ind-AS, IFRS or US GAAP and should not be considered as an alternative to net profit/loss, revenue from operations or any other performance measures derived in accordance with Ind-GAAP, Ind-AS, IFRS or US GAAP or as an alternative to cash flow from operations or as a measure of our liquidity. In addition, EBITDA is not a standardised term, hence a direct comparison of EBITDA between companies may not be possible. Other companies may calculate EBITDA differently from us, limiting its usefulness as a comparative measure.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals, including percentage figures, have been rounded off to the second decimal.

Unless the context otherwise indicates, any percentage amounts, as set forth in sections titled "*Risk Factors*", "*Industry Overview*", "*Our Business*", "*Management's Discussion and Analysis of Financial Conditional and Results of Operations*" on pages 25, 90, 117 and 227, of this Red Herring Prospectus respectively, and elsewhere in this Red Herring Prospectus have been calculated on the basis of our Restated Financial Statements.

Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee, the official currency of the Republic of India; and
- "USD" or "US$" are to United States Dollar, the official currency of the United States.

Except otherwise specified, our Company has presented certain numerical information in this Red Herring Prospectus in “million” units. One million represents 1,000,000 and one billion represents 1,000,000,000.

Exchange Rates

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

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

Currency	As on March 31, 2016[(1)(2)]	As on March 31, 2017[(1)(2)]	As on March 31, 2018[(1)(2)]	As on September 30, 2018[(1)(2)]
1 US$ (in Rupees per USD)	66.33	64.84	65.04	72.55

[(1)] In case March 31 or September 30 of any of the respective years is a public holiday, the previous calendar day not being a public holiday has been considered.
[(2)] Exchange rate is rounded off to two decimal places.
Source: www.rbi.org.in and www.fbil.org.in

Industry and Market Data

Unless stated otherwise, industry and market data used in this Red Herring Prospectus has been obtained or derived from publicly available information as well as industry publications and sources. Further, information has also been derived from report dated January 18, 2019 titled *“E-Commerce Industry in India with focus on B2B Segment*” by Dun & Bradstreet, which has been commissioned by our Company.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although we believe the industry and market data used in this Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLM or any of their affiliates or advisors. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled “*Risk Factors*” on page 25 of this Red Herring Prospectus. Accordingly, investment decisions should not be based solely on such information.

Certain information in the sections titled “*Industry Overview*” and “*Our Business*” on pages 90 and 117 of this Red Herring Prospectus, respectively has been obtained, derived or extracted from the industry report titled “*E-Commerce Industry in India with focus on B2B Segment*” released on January 18, 2019 prepared by Dun & Bradstreet which has issued the following disclaimer:

“The Report has been prepared keeping in view the scope of work. Sources which form the basis of this Report could be broadly classified into two categories: (i) the information gathered by D&B-India from the public domain from primary sources only including the Government offices’ website, where consent is not required to be obtained and (ii) Primary interaction conducted with key stakeholder in the e-Commerce segment. D&B-India has taken due care and caution in preparing this Report based on the information obtained by D&B from sources which it believes to be reliable. However, D&B does not guarantee the accuracy, adequacy or completeness of the information. This Report is not a recommendation to invest/disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. D&B especially states that it has no liability whatsoever to the subscribers/users/transmitters/distributors of this Report. D&B operates independently and does not have access to information obtained by group companies of D&B, which may, in their regular operations, obtain information of a confidential nature. No part of this Report may be published/reproduced in any form without D&B’s prior written approval.”

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

FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans, prospects or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. For the reason described below, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Therefore, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

These forward looking statements, whether made by us or a third party, are based on current plans estimates, presumptions and expectations and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those suggested by the forward-looking statements including, but not limited to, regulatory changes pertaining to the industries in India in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

- Pricing pressure from our competitors which may require us to reduce prices to remain competitive;
- Any adverse changes in central or state government policies in relation to e-commerce line of business;
- Our Company and Subsidiary are involved in certain outstanding legal proceedings, which if determined adversely, may adversely affect our business, financial condition, results of operations and prospects;
- Our dependency on a limited number of clients for a significant portion of our revenues in trading line of business;
- Our ability to successfully to adapt our services in response to evolving trends and demands;
- Our ability to obtain new businesses and/or losses from any of the existing business;
- Our ability to respond successfully to technological advances and evolving industry standards;
- Our ability to successfully execute our growth strategies;
- Our ability to manage counter party risk in our trading vertical.

For further discussion of factors that could cause the actual results to differ from the expectations, refer to the sections titled "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 25, 117 and 227 of this Red Herring Prospectus, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward-looking statements reflect current views as of the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Selling Shareholder, the BRLM nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI

ICDR Regulations, our Company and the BRLM will ensure that the investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges. The Selling Shareholder shall ensure that it will keep the Company and BRLM informed of all material developments pertaining to the Equity Shares under the Offer for Sale and itself, as Selling Shareholder from the date of the Red Herring Prospectus until receipt of final listing and trading approvals by the Stock Exchanges for this Offer, that may be material from the context of the Offer.

SECTION II: OFFER DOCUMENT SUMMARY

A. *Summary of the Business*

Incorporated in 1964 as a trading company to deal in the export of scrap, we have grown into a large diversified, multi-product services and trading Company. We were a canalising agency for import of ferrous scrap until 1992. After de-canalisation, our Company has established itself as one of the leading e-commerce service providers in the country and also is one of the major player in trading of bulk raw material. We have also entered into the re-cycling business through a 50:50 joint venture with MIL for setting up a shredding plant and collection centres across the country.

For further details, please refer to the section titled "*Our Business*" on page 117 of this Red Herring Prospectus.

B. *Summary of the Industry*

Acknowledging the potential benefit of internet enabled trade, the Government has been embracing digital led economic growth. Propelled by the Government focussed initiative to ensure greater transparency in asset allocation and procurement, steady improvement in economic growth, and rising internet penetration and digitization level, the overall Indian e-commerce market is heading on the path of high growth trajectory. As per UNCTAD, the B2B e-commerce industry in India is expected to grow from USD 311.6 billion in 2014 to USD 527 billion by 2018E implying an annual growth rate of over 14%. From there onwards, the industry is expected to grow to USD 1,005 billion by 2022P implying an annual growth rate of over 17.5%.

For further details, please refer to the section titled "*Industry Overview*" on page 90 of this Red Herring Prospectus.

C. *Promoter of our Company*

Our Promoter is the President of India acting through the Ministry of Steel, Government of India.

D. *Size of the Offer*

The Offer is an initial public offering of upto 17,670,400 Equity Shares of our Company through an Offer for Sale by the Selling Shareholder for cash at an Offer Price of ₹ [●] per Equity Share, aggregating to ₹ [●] million.

The Offer includes a reservation of up to 70,400 Equity Shares aggregating to ₹ [●] million for subscription by Eligible Employees. The Offer less Employee Reservation Portion is referred to as the Net Offer. The Offer and the Net Offer will constitute 25.10% and 25.00% respectively, of the post Offer paid-up Equity Share capital of our Company.

For further details, please refer to the section titled "*The Offer*" on page 46 of this Red Herring Prospectus.

E. *Objects of the Offer*

Since this is an Offer for Sale, our Company will not receive any proceeds from the Offer and all the proceeds shall go to the Selling Shareholder.

F. *Aggregate pre-issue shareholding of the Promoter and Selling Shareholder, and our Promoter Group, as a percentage of the paid-up share capital of our Company*

Name of the Promoters	Number of Equity Shares	% of pre-Offer Share Capital
President of India	63,250,400	89.85
Promodita*	160	Negligible
Bam Bahadur Singh*	160	Negligible
Subrata Sarkar*	160	Negligible
Bhanu Kumar*	160	Negligible
Ajay Kumar Rai*	160	Negligible
Total	**63,251,200**	**89.85**

**As a nominee of our Promoter*

For further details, please refer to the section titled "*Capital Structure*" on page 62 of this Red Herring Prospectus.

G. ***Summary of Restated Financial Statements for the half year period ended on September 30, 2018 and Financial Years ended on March 31, 2018, March 31, 2017 and March 31, 2016.***

(₹ in million except share data)

S No.	Particulars	Half year period ended on September 30, 2018	Fiscals		
			2018	2017	2016
1.	Authorised equity share capital	500.00*	500.00	500.00	500.00
2.	Issued and Paid up equity share capital	352.00**	352.00	176.00	88.00
3.	Net worth	3,279.18	3,661.59	4,060.30	3,146.70
4.	Revenue from operations	14,769.12	22,654.00	17,392.20	32,251.60
5.	Net Profit/ (Loss) after tax	(158.84)	(64.81)	1,391.50	(2,471.00)
6.	Basic and diluted EPS*** (in ₹)	(2.26)	(0.92)	19.77	(35.10)
7.	Net Asset Value per Equity Share	46.58	52.01	57.67	44.70
8.	Total Borrowings	3,019.43	7,661.80	6,883.50	6,533.31

**The Authorised equity share capital of our Company has been increased from ₹ 500,000,000 to ₹ 1,500,000,000 by way of shareholders' resolution dated December 26, 2018.*

***The issued and paid-up equity share capital of our Company has been increased to ₹ 704,000,000 by way of shareholders' resolution dated December 26, 2018 approving the bonus issuance, pursuant to which Equity Shares were allotted vide board resolution dated January 11, 2019.*

**** Pursuant to a board resolution dated January 11, 2019, 35,200,000 bonus shares were issued and allotted. Therefore, the total number of issued and paid up shares increased to 70,400,000.*

For further details, please refer to the section titled "*Financial Statements*" on page 169 of this Red Herring Prospectus.

H. ***Auditors Qualifications***

The Restated Financial Statements do not contain any auditor's qualifications.

I. ***Summary of Outstanding Litigation***

Nature of Litigation against our Company	**Number of Cases Outstanding**	**Amount Involved* (in ₹ million)**
Criminal Matters	10	Nil
Direct Tax Matters	8	241.55
Indirect Tax Matters	25	519.09
Action by regulatory/statutory authorities	Nil	Nil
Material civil litigations	42	7,937.39
Nature of Litigation by our Company	**Number of Cases Outstanding**	**Amount Involved* (in ₹ million)**
Criminal Matters	37	1,797.19
Direct Tax Matters	Nil	Nil
Indirect Tax Matters	Nil	Nil
Action by regulatory/ statutory authorities	Nil	Nil
Material civil litigation	43	35,441.47
Nature of Litigation against our Directors	**Number of Cases Outstanding**	**Amount Involved* (in ₹ million)**
Criminal Complaint	Nil	Nil
Nature of Litigation against our Subsidiary	**Number of Cases Outstanding**	**Amount Involved* (in ₹ million)**
Criminal Matters	Nil	Nil
Direct Tax Matters	Nil	Nil

Indirect Tax Matters	21	653.32
Action by regulatory/statutory authorities	Nil	Nil
Material civil litigations	2	NA
Nature of Litigation by our Subsidiary	**Number of Cases Outstanding**	**Amount Involved* (in ₹ million)**
Criminal Matters	1	NA
Direct Tax Matters	Nil	Nil
Indirect Tax Matters	Nil	Nil
Action by regulatory/ statutory authorities	Nil	Nil
Material civil litigation	2	NA
Nature of Litigation against our JVC	**Number of Cases Outstanding**	**Amount Involved* (in ₹ million)**
Nil	Nil	Nil

**The amounts claimed in these proceedings have been disclosed to the extent quantifiable.*

For further details on the outstanding litigation against our Company, Directors, Subsidiary and JVC, please refer to the section titled "*Outstanding Litigation and Other Material Developments*" on page 240 of this Red Herring Prospectus.

J. Risk Factors

For details in relation to the risks involving our Company, including our business, the industry we operate in and our Equity Shares, please refer to the section titled "*Risk Factors*" on page 25 of this Red Herring Prospectus.

K. Summary of our contingent liabilities as indicated in the Restated Financial Statements:

(₹ in millions)

Sr. No.	Contingent Liabilities	As at September 30, 2018
1.	Sales tax & customs	365.23
2.	Money suits	1,420.56
3.	Arbitration	3.02
4.	Income tax	65.42
5.	Service tax	970.28
6.	Claims against us not acknowledged as debt	6.14
7.	Outstanding bank gurantees	137.56
	Total	**2,968.20**

For further details on the contingent liabilities, please refer to the section titled "*Financial Statements*" on page 210 of this Red Herring Prospectus.

L. Summary of related party transactions of the Company for half year period ended on September 30, 2018 and for the last 3 (three) Fiscal Years as indicated in the Restated Financial Statements:

(₹ in millions)

Nature of the Related party transaction	Half year period ended on September 30, 2018	March 31, 2018	March 31, 2017	March 31, 2016
Director remuneration paid by the Company	8.26	17.35	14	19.7
Sitting fees-paid to director of the Company	0.3	0.27	0.19	0.18
Directors remuneration paid by Subsidiary	4.44	9.6	7.4	6.28
Investment in equity of joint venture	Nil	75	31	Nil
Receipt from joint venture for reimbursement of expenditure	0.47	0.8	0.7	Nil
Deposit paid for appointment of Director on behalf of joint venture	Nil	0.1	Nil	Nil

Deposit for appointment of Director received back from joint venture	Nil	0.1	Nil	Nil
Payment of custodian service to Subsidiary for the warehouse management	1.98	23	17.6	25.55
Amount received from Subsidiary for providing E-Auction service	0.02	0.1	0.1	0.01

For further details on the related party transactions, please refer to the section titled "*Financial Statements – Note 43 (Related Party Transaction) of Annexure VI- Notes to– Restated Consolidated Financial Information*" on page 215 of this Red Herring Prospectus.

M. Financing Arrangements

Neither our Promoter/ Selling Shareholder nor our Directors or their relatives (as defined in the Companies Act, 2013) have entered into any financing arrangements to finance or have financed the purchase by any other person of the Equity Shares of our Company other than in the normal course of business of the financing entity during the six (6) months immediately preceding the date of this Red Herring Prospectus.

N. *Weighted average price at which the Equity Shares were acquired by our Promoter/Selling Shareholder in the one (1) year preceeding the date of this RHP*.

During the one (1) year preceding from the date of this RHP, our Promoter/Selling Shareholder along with its nominees were allotted 31,625,600 Equity Shares, pursuant to a bonus issue of Equity Shares approved by our Shareholders on December 26, 2018 and allotted vide board resolution dated January 11, 2019. Since the allotment pursuant to the said bonus issue did not involve any consideration, the weighted average price of such Equity Shares acquired by the Promoter in one (1) year preceeding the date of this Red Herring Prospectus is Nil.

For further details, please refer to the section titled "*Capital Structure*" on page 62 of this Red Herring Prospectus.

O. *Average cost of acquisition of the Equity Shares by the Promoter/Selling Shareholder.*

The average cost of acquisition per Equity Share by the Promoter/Selling Shareholder as on the date of this Red Herring Prospectus is ₹ 0.049.

For further details, please refer to "*Risk Factors-the average cost of acquisition of Equity Shares by our Promoters could be lower than the Offer Price*" and the section titled "*Capital Structure*" on pages 35 and 62 of this Red Herring Prospectus, respectively.

P. *Pre-IPO Placement*

Our Company has not entered into any arrangement for pre-IPO placement with any investor or party.

Q. Issue of Equity Shares made in last one (1) year for consideration other than cash

Except the allotment of bonus shares by our Company as mentioned in the section titled "*Capital Structure – Notes to the Capital Structure –Share Capital History*" on page 62 of this Red Herring Prospectus wherein no consideration was received by our Company, our Company has not issued any Equity Shares for consideration other than cash in the one (1) year preceding from the date of this Red Herring Prospectus.

R. Split or consolidation of Equity Shares in the last one (1) year

Our Company has not made any split or consolidation of its Equity Shares during the one (1) year preceding from the date of this Red Herring Prospectus.

SECTION III: RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us, our Equity Shares, the industry or the segments in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and risks involved. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Offer. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.

To obtain a complete understanding, you should read this section in conjunction with the sections "Industry Overview", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 90, 117 and 227 of this Red Herring Prospectus, respectively. The industry-related information disclosed in this section that is not otherwise publicly available is derived from a report titled "E-Commerce Industry in India with focus on B2B Segment," dated January 18, 2019, and prepared by Dun & Bradstreet. Neither our Company, nor any other person connected with the Offer, including the BRLM, has independently verified the information in the industry report or other publicly available information cited in this section.

This Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and, in the section titled "Forward-Looking Statements" on page 19 of this Red Herring Prospectus.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Restated Financial Statements.

Internal Risk Factors

1. We face significant pricing pressure from our competitors which could require us to reduce prices to remain competitive.

India's B2B e-commerce industry is characterized by low entry barriers. There are new companies which are venturing into B2B e-commerce and may engage themselves in conducting e-auction and/or e-procurement without proper infrastructure. It may lead to an increase in the competition in the segment in which we operate. Some of our competitors in the e-commerce and/or trading industries may have extensive experience, deployment of large manpower capability with advanced technology systems and infrastructure, greater financial capabilities and better relationships with customers. Our customers evaluate us, among other things, customization, speed, quality, flexibility, costs, and results. Also, being a PSU, our Company has to follow the guidelines issued by CVC, regulation of IT Act and other audit requirements of STQC for which, our Company has to invest huge amount towards infrastructure. If we are unable to offset reductions in price through improved operating efficiencies and reduced expenditures, then the pricing could negatively impact our profit margins and cash flows. If we fail to compete with the price and/or technology offered by our competitors, in such cases our customers may opt to transact with our competitors instead of our Company. Even though, our Company may have the requisite technology and skills and while we continue to periodically upgrade our systems and infrastructures, we may be unable to competitively develop the higher-value-added solutions necessary to retain business or attract new customers in the future. Further, we may be unable to retain a compelling advantage over our competitors which could adversely affect our business, results of operations, financial conditions and cash flows.

2. In our e-commerce line of business, we rely heavily on both government and government-controlled entities for majority of our business.

In providing our e-commerce services, we enter into contracts as service providers for e-auction and e-procurement primarily with both government and government-controlled entities. The revenues generated from the contracts which are awarded to us by the government and government-controlled entities constitute 90.58%, 90.49%, 96.53% and 98.58% of our total revenue from e-commerce segment for the half year period ended on September 30, 2018 and Fiscals 2018, 2017 and 2016, respectively. Since, we rely heavily on government and government-controlled entities, any change in GoI policies with respect to our business could lead to significant changes including adverse changes in our business. Although we believe that we have been maintaining strong relationship with the government and government-controlled entities, however in case such relationship gets affected due to any reason beyond our control then our business may have an impact. Further, the disinvestment plan of the CPSE's of the GoI may result in reduced GoI control over entities that are currently our customers. Due to dilution of the GoI's stake in government-controlled entities, there could be a reduction in the contracts awarded by such entities to us. A reduction in the number of entities controlled by the GoI to which we currently provide services could adversely affect the volume of products for which we are able to provide e-commerce services. Considering majority of our revenue accrues from e-commerce operations, our business, results of operations and financial condition may be adversely affected if the volume and value of goods for which we can provide e-commerce services is reduced.

3. ***In our trading line of business, we depend heavily on few customers, and the loss of its business, or a significant reduction in production, demand, or sales from these customers would adversely affect our business.***

Our revenues from trading line of business constitutes 80.96%, 81.01%, 70.68% and 85.00% of our total revenue for the half year period ended on September 30, 2018 and Fiscals 2018, 2017 and 2016, respectively. Our top three customers in our trading line of business contributed 93.38%, 68.33%, 67.51% and 71.30% of our total revenue from the trading line of business for the half year period ended on September 30, 2018 and Fiscals 2018, 2017 and 2016, respectively. We are heavily dependent on a few customers for majority of our revenues from trading line of business. In the event we are unable to seek business from such customers on a continuous basis or if the amount of business from such customers reduces or gets discontinued, our revenue may be adversely impacted.

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

As on the date of this Red Herring Prospectus, our Company and our Subsidiary are involved in certain legal proceedings. Even though our Company is only a service provider, it has been impleaded in several litigations merely as a formal party. 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 our Subsidiary, as the case may be, or that no further liability will arise out of these proceedings. We may incur significant expenses and management time 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 have an adverse effect on our business, results of operations and financial condition.

A summary of the pending tax proceedings and other material litigations involving our Company, our Directors, our Subsidiary and our JVC are provided below:

Nature of Litigation against our Company	**Number of Cases Outstanding**	**Amount Involved* (in ₹ million)**
Criminal Matters	10	Nil
Direct Tax Matters	8	241.55
Indirect Tax Matters	25	519.09
Action by regulatory/statutory authorities	Nil	Nil
Material civil litigations	42	7,937.39
Nature of Litigation by our Company	**Number of Cases Outstanding**	**Amount Involved* (in ₹ million)**
Criminal Matters	37	1,797.19
Direct Tax Matters	Nil	Nil
Indirect Tax Matters	Nil	Nil
Action by regulatory/ statutory authorities	Nil	Nil
Material civil litigation	43	35,441.47
Nature of Litigation against our Directors	**Number of Cases Outstanding**	**Amount Involved* (in ₹ million)**
Criminal Complaint	Nil	Nil

Nature of Litigation against our Subsidiary	Number of Cases Outstanding	Amount Involved* (in ₹ million)
Criminal Matters	Nil	Nil
Direct Tax Matters	Nil	Nil
Indirect Tax Matters	21	653.32
Action by regulatory/statutory authorities	Nil	Nil
Material civil litigations	2	NA
Nature of Litigation by our Subsidiary	**Number of Cases Outstanding**	**Amount Involved* (in ₹ million)**
Criminal Matters	1	NA
Direct Tax Matters	Nil	Nil
Indirect Tax Matters	Nil	Nil
Action by regulatory/ statutory authorities	Nil	Nil
Material civil litigation	2	NA
Nature of Litigation involving our JVC	**Number of Cases Outstanding**	**Amount Involved* (in ₹ million)**
Nil	Nil	Nil

**The amounts claimed in these proceedings have been disclosed to the extent quantifiable.*

For further details, please refer to the section titled "*Outstanding Litigation and Other Material Developments*" on page 240 of this Red Herring Prospectus.

5. ***We are currently facing a dispute with Standard Chartered Bank, wherein all freehold buildings of our Company are under attachment in terms of the order of DRT, Mumbai, which if it not concluded in our Company's favour could adversely affect our business, results of operations and financial conditions.***

Our unsecured borrowings for the half year period ended on September 30, 2018 included an outstanding amount of ₹ 1,436.20 million plus ₹ 788.90 million in interest. Such outstanding amount accrued from a receivable purchase agreement dated August 29, 2008 ("**RPA**") entered into by our Company with Standard Chartered Bank ("**SCB**") wherein, SCB had agreed to purchase the receivables from our Company in relation to the export of gold jewellery. SCB insured this transaction with ICICI Lombard General Insurance Company ("**ICICI Lombard**"). After the debtors failed to repay the outstanding amount, SCB claimed the amount from ICICI Lombard who then repudiated the claim of SCB. SCB then converted the trade receivables into debt and filed a case against our Company in DRT, Mumbai for recovery of ₹ 1,910.35 million from our Company alleging default in payments to be made by our Company in terms of the RPA. Further, all the freehold buildings of our Company are under attachment by the order of DRT, Mumbai. Our Company had also filed a title suit against SCB and ICICI Lombard before the Court of the 1st Civil Judge Senior Division at Alipore, South 24 Parganas, West Bengal ("**Civil Judge**") challenging the claim for recovery of SCB on the ground that our Company is not a debtor of SCB in terms of the RPA and praying for a permanent injunction on the recovery proceedings initiated by SCB. As on the date of this Red Herring Prospectus, the judgement has been reserved by the Bombay High Court. For further details, please refer to the section titled "*Outstanding Litigation and Other Material Developments*" on page 252 of this Red Herring Prospectus.

Any adverse outcome in the above-mentioned proceeding may adversely affect our reputation and may have an adverse effect on our results of operations, cash flow and financial condition.

6. ***We are exposed to a legal proceeding relating to a dispute in connection with cancellation of our export import license.***

Our Company had undertaken transactions for the export of non-alloy steel wire rod coil to foreign countries, via our customer Barron Impex Private Limited ("**Transactions**"). The Union of India through the Secretary, Ministry of Commerce & Industry, Director General of Foreign Trade, Ministry of Commerce and Industry, Zonal Joint Director General of Foreign Trade and Deputy General Director of Foreign Trade, Ministry of Commerce & Industry ("**Authorities**") had issued a defaulter order wherein the name of our Company was included in the defaulters list, proposing to cancel the export-import license of our Company for undertaking the Transactions. Our Company had filed a writ petition against the Authorities challenging the illegal and wrongful acts on the part of the Authorities in issuing the defaulter order and the validity of the actions by the Authorities in putting the name of our Company in the defaulters list for cancellation of the export import license. If the outcome of this proceeding is ruled against us, then it could have an adverse affect on our business, results of operations and financial conditions as our license for export and import may get cancelled. For further details, please refer to the section titled "*Outstanding Litigation and Other Material Developments*" on page 254 of this Red Herring Prospectus.

7. ***We have been arrayed as one of the accused in proceedings initiated by Enforcement Directorate, Mumbai ("ED").***

The ED has initiated an investigation under proviso II to section 45 of the PML Act against our Company and certain others for alleged offences under section 3 punishable under section 4 of the PML Act. Our Company has been arrayed as one of the accused in its corporate capacity through our former Chairman and Managing Director and our present Chairman and Managing Director. For further details, please refer to the section titled "*Outstanding Litigation and Other Material Developments*" on page 242 of this Red Herring Prospectus. If the outcome of this proceeding is determined against us, it may have an adverse impact on our reputation, business, result of operations and financial conditions.

8. ***We are exposed to a dispute relating to participation in the securities of another company.***

Our Company has entered into a tripartite agreement dated April 17, 2001 ("**Second Agreement**") with Sujana Steel Limited ("**SSL**") and Tirumala Re-Rolling Private Limited **("TRPL")**. Prior to this, our Company had also entered into a memorandum of understanding ("**MOU**") dated September 18, 1995 with SJK Steel Corporation Limited ("**SJKSCT**") where under our Company had agreed to participate in the paid up equity capital of SJKSCL subject to approval of GoI. Further, our Company had entered into another agreement dated March 16, 1996 ("**First Agreement**") with SSL and SJKSCL where under our Company had agreed to sell 19,500 MT of carbon steel melting scrap at an amount of ₹ 183.60 million to SSL, out of which SSL had agreed to pay a sum of ₹ 150 million to SJKSCL being the equity participation of our Company subject to the approval of GoI. However, since our Company did not receive the GoI approval, hence, it requested SSL to make the direct payment towards settlement of outstanding dues payable to our Company for the material supplied. However, SSL had continuously failed in making the due payments to our Company due to which our Company had initiated legal proceedings. The Second Agreement has been entered to settle the dispute where under, *inter alia*, SSL has agreed to pay an amount aggregating to ₹ 15.60 million as lumpsum payment and the balance amount will be converted into non-convertible privately placed debentures with interest at 10% per annum to be issued by TRPL in favour of our Company. In addition to this, SSL has agreed to issue a post-dated cheque for ₹ 158 million to our Company which will be returned after the receipt of full payment by our Company and a post-dated cheque of ₹ 20 million towards the payment of accrued interest. In this regard, a writ petition has been filed before the High Court of Madras by Sujana Metal Products Limited ("**SMPL**") (presently known as SSL) against our Company, Union of India through the Ministry of Steel and SJKSCL") wherein SMPL has contended that the action of our Company for not taking equity participation in SJKSCL as arbitrary, illegal and consequently. In the event the outcome of this proceeding is ruled against us, then our Company will be compelled for equity participation in SJKSCL which could have an adverse effect on our business, results of operations and financial conditions.

9. ***Our trading line of business conducted through a cash-and-carry model faces traditional risks associated with pilferage, reduction in price and various other risks.***

In our cash-and-carry model, we facilitate the procurement of materials on behalf of our customers. Then the materials so procured are pledged and released to the customers only against receipt of payment by us. Further, either the customer may not pick up the material or may pick up the material without paying cash within the specific period of time. If the price of material remains unpaid for and incase there is any adverse volatility in the prices of unsold material, it will have an impact on our revenue as well as profitability. In case, the pledged goods are stolen, it will have an adverse effect on our financials. Our challenges to efficiently manage and successfully operate the storage of such materials may have an adverse impact on our results of operations and financial condition. In case we fail to effectively plan and manage inventory turnover may result in excess or insufficient inventory, result in increased costs, impairment charges, or both, or impact our business in either ways.

10. ***Our Company has in the past not complied with the requirements of Companies Act. Further our Company is not in compliance with certain provisions of the Companies Act and/or SEBI Listing Regulations in relation to terms of reference of the Audit Committee and the Nomination and Remuneration Committee.***

Our Company was not in compliance with Section 149(6) of the Companies Act, 2013 for the period commencing from October 9, 2015 till September 5, 2017 with respect to the appointment of minimum number of independent directors on the Board. Accordingly, our Company was also not in compliance with the requirement of the composition of the Audit Committee as well as the Nomination and Remuneration Committee. However, since the Directors on the Board of our Company are appointed by the President of India, hence our Company had no control over the aforesaid non compliance.

Further, as of the date of this Red Herring Prospectus, our Company is not in compliance, with the relevant provisions of the SEBI Listing Regulations and/or the Companies Act, 2013 in relation to the terms of reference of the Audit Committee and the Nomination & Remuneration Committee. Pursuant to Regulation 18(3) read with Paragraph A (2) of Part C of Schedule II of SEBI Listing Regulations, provisions relating to recommendation for appointment, remuneration and terms of appointment of auditors of a listed entity, is required to be included in the terms of reference of audit committee. In accordance with Section 139(5) of the Companies Act, 2013, the Comptroller and Auditor General of India is required to appoint our Statutory Auditor. Accordingly, provisions relating to appointment of our Statutory Auditor are not included in the terms of reference of our Audit Committee, as required under SEBI Listing Regulations.

Pursuant to Regulation 19(4) read with Paragraph A of Part D of Schedule II of SEBI Listing Regulations, provisions relating to (i) identification of persons who are qualified to become directors, (ii) recommending appointment and removal of directors, (iii) recommending extension of the term of independent directors, (iv) formulation of criteria for evaluation of performance of the directors, (v) devising policy on diversity of the board of directors, (vi) formulation of the criteria for determining qualifications, positive attributes and independence of a director, are required to be included in the terms of reference of Nomination and Remuneration Committee. In our case, the power to appoint directors on our Board is vested with the President of India acting through the MoS and, as a result, we do not have the power to appoint Directors of our Board.

Accordingly, the aforementioned matters are not included in the terms of reference of our Audit Committee and Nomination and Remuneration Committee, respectively. To this extent, we have been granted an exemption pursuant to the SEBI Exemption Letter.

Regulation 24 (1) of the SEBI Listing Regulations, requires at least one independent director on the Board of Directors of the Company shall be a director on the board of directors of an unlisted material subsidiary, incorporated in India. However, in accordance with the Corporate Governance Guidelines issued by DPE read with circular no. OM No.20 (13)EO/2014(ACC) dated November 17, 2016 issued by the Department of Personnel & Training, Ministry of Personnel, Public Grievances and Pensions, Government of India, an independent director is yet to be appointed by our Subsidiary company for which the GoI directions is awaited. Since we are not in compliance with regard to appointment of at least one independent director on the Board of Directors of our Company on the board of our Subsidiary, hence we have also sought an exemption from SEBI in this regard. SEBI has granted us exemption vide the SEBI Exemption Letter from this requirement for the limited purpose of the Offer and post listing, subject to applicable law, the director will have to be appointed on the board of our unlisted material subsidiary without any delay.

11. Our volume of trade has fluctuated over the past few years.

In the past few years, the volume of our trade business has fluctuated due to the volatility in the market in which our clients operate including the slump in the steel sector and decrease in sale of thermal coal to power plants which lead to decline in the volume of our trading business. The volume of our trading business was ₹ 42,703.50 million, ₹ 93,518.10 million, ₹ 45,976.50 million and ₹ 43,822.30 million for the half year period ended on September 30, 2018 and Fiscals 2018, 2017 and 2016, respectively. While there may be a likelihood that the volume for our trading line of business may not grow or may fluctuate from period to period, which could have a material adverse effect on our business prospects, results of operations, cash flows or financial condition.

12. We are exposed to the credit risks of our customers in our trading business especially under cash and carry model.

In our trading vertical, we procure materials on behalf of our customers based on payment commitments made by such customers. The process of cash and carry can be in two modes i.e. a) purchase–sale mode, or b) facilitator mode. In the purchase sale mode, the volume of the transaction is reflected as turnover of the Company and in the facilitator mode, the volume of business is not taken as turnover since the ownership of the goods is not vested in our Company at any point of time. Since we offer credit facilities to our customers in both the cases, our receivables may be higher than the revenue earned by our Company from our trading vertical.

There have been instances of delayed payments and defaults in payment by some of our customers and we cannot assure you that our customers will be able to meet their contractual payment obligations to us, either in a timely manner or at all. The reasons for payment delays, cancellations or default by our customers may be due to insolvency, bankruptcy, insufficient financing or working capital due to late payments by their respective end-customers. We may not be able to enforce our contractual rights to receive payment through legal proceedings under the IBC. Currently, we have certain debtors who have been referred to NCLT. In the event we are unable to collect payments from our customers, our business, results of operations, cash flows and financial condition may be adversely affected.

13. We may face challenges to successfully diversify and develop our services in response to evolving trends and demands may adversely affect our growth and negatively impact our profitability.

We primarily provide trading and e-commerce services mainly comprising of e-auction/e-sale, e-procurement and retail software. Changes in customer preferences, regulatory or industry trends or requirements or in competitive technologies may render some of our services obsolete or less attractive. Our failure to anticipate changes in technology and/or regulatory changes and/or to successfully develop and introduce new and enhanced services on a timely basis is a significant factor in our ability to remain competitive.

With due passage of time, we may diversify our business even further to include additional types of materials to trade through e-commerce. We may require methods of operations and marketing and financial strategies different from those currently employed in our Company. Therefore, we cannot assure that we will be able to fully and successfully develop these new services/solutions. There can be no certainity that we will be able to secure the necessary technological knowledge, through research and development or through technical assistance agreements or otherwise, that will allow us to develop our platform portfolio in this manner. If we are unable to obtain such knowledge in a timely manner, we may be unable to effectively implement our strategies due to which our business and results of operations may be adversely affected. Moreover, we may be unable to achieve the technological developments that may be necessary for us to remain competitive or that some of our services and/or solutions will remain accessible.

In the past, we have incurred and in future we may incur capital expenditures for advancement of services/solutions to meet the demands of our customers. There cannot be certainity, that we will be able to install and commission the software's and/or other form of tools which are required to trade products on time. In case we do not successfully and timely develop a new platform and services in order to cater to the requirements of our customers and industry trends, there could be a material adverse effect on our business, financial condition, results of operations and future prospects.

14. We rely on information technology systems, networks and infrastructure, and any interruption or breakdown in such systems, networks or infrastructure or our technical systems could impair our business and operations.

We have implemented various IT solutions and ERP solutions to cover key areas of our operations, procurement, dispatch, accounting and other business functions. Our business is also technology driven, and we rely heavily on IT and networks and related infrastructure. As a result, our business operations and the quality of our services depend significantly on the efficient and uninterrupted operation and reliability of our information technology systems and networks and related infrastructure such as our data rooms, both internal and external. For instance, a failure in technology including technical error/glitches, server breakdown can lead to interrupted bidding, and could even lead to cancellation of bids which may result into initiation of litigation proceedings, other adverse results and could adversely affect our financial condition.

In spite of regular checks and tests, our systems may be vulnerable to interruption and damage as a result of natural disasters, power loss, technical glitches, undetected errors or viruses in our software, computer viruses or loss of electronically stored data, hardware damage, disruption in communications access or infrastructure, electronic intrusion attempts, break-ins, sabotage, hacking, vandalism and other similar events which may result in cancellation of e-auctions/events. There can be no certianity that we will be able to eliminate or alleviate the risks arising from such contingencies. In addition, our systems and software, including our website, secure sockets layer encryption, firewall and IPS may contain undetected errors, defects or bugs, which we may not be able to detect and repair in time or in a cost-effective manner, or at all. Any damage to or failure of our systems could lead to loss of data or interruptions or delays, thereby impairing our ability to effectively provide our services.

Further, unavailability of, or failure to retain, well-trained employees capable of constantly servicing our IT and ERP systems may lead to inefficiency or disruption of IT system thereby adversely affecting our ability to operate efficiently. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations.

15. We may fail to enhance our market position by failing to access new markets and develop new relationships which complement our existing business operations which may have an adverse impact on our business, financial condition and results of operations.

We intend to enhance our market position through accessing new markets and relationships that complement our existing business operations. The implementation of such strategy is subject to a number of risks, including, but not limited to the risks of:

- failing to assimilate new technology required for building the new products identified;
- failure of new equipment and facilities installed for the expansion;
- experiencing difficulties in obtaining regulatory approvals;
- being adversely affected by changes in market conditions and demands;
- experiencing the diversion of our management's time and attention;
- experiencing difficulties in retaining the key employees who are essential to successfully managing those businesses;

As a result, we may not be successful in developing our businesses to the extent of and in accordance with our expectations and business strategies and there can be no assurance relating to any revenues from or profitability of such strategies we intend to pursue.

16. Our Company may be expose to foreign exchange control regulations and currency fluctuations.

Our Company is involved in various business transaction with international clients and has to conduct the same in accordance with the rules and regulations prescribed under FEMA. Further, our Company is required to make and receive payments from and/or to foreign client's within the timeline stipulated under the applicable law. Due to non receipt of such payments in a timely manner, our Company may fail to adhere to the prescribed timelines and may be required to pay penalty to the appropriate authority/department to regularise the payment. Further, our Company is involved in various litigations with foreign parties and has an outstanding which may be payable with interest and has bearing on account of foreign exchange fluctuations. In case we are unable to adhere to the timelines prescribed under the applicable laws, there could be an adverse affect on our business, results of operations, financial conditions and cash flows.

17. The GoI has significant influence over our actions which may restrict our ability to manage our business. Any change in GoI policy could have a material adverse effect on our financial condition and results of operations.

Being a CPSE, the President of India may issue directives with respect to the conduct of our business or our affairs as long as we remain a Government-owned company as defined under the Companies Act. For instance, our Directors are appointed by the President of India. Further, the President of India from time to time may issue directions as he considers necessary regarding the exercise and performance of the functions of our Company. This influence on our Company will remain even after this Offer.

The priorities of the GoI may be different from ours or that of our other shareholders. As a result, the GoI may take actions with respect to our business and the businesses of our peers and competitors that may not be in our or our shareholders' best interests. For instance, the national demand for procurement services will decrease due to the GoI's directive to use the Government e-Marketplace ("**GeM Portal**"). The GoI has set up a dedicated e-market for different goods and services procured by government organizations / departments / PSUs for transforming Directorate General of Supplies and Disposals to a digital ecommerce portal for procurement and selling of goods and services thereby providing the tools of e-bidding, reverse e-auction and demand aggregation to facilitate the government users, achieve the best value for their money. Any change in the GoI's directive to use the GeM Portal for purchases, the scope of work in our e-procurement business may decline, as a major percentage of any corporation's business is incurred on procurement of goods.

The GoI could also, in exercising its powers of control, defer or initiate a change in control or a change in capital structure of our Company. It could also delay or defer a merger, acquisition or other fundamental change of our Company. In particular, given the importance of this industry to the Indian economy, the GoI could require us to take actions designed to serve the public interest, and not necessarily to maximize our profits. This could adversely affect our business and results of operations.

18. Certain corporate and secretarial records of our Company are not traceable and some of our corporate records contain discrepancies.

Our Company is unable to locate some of the regulatory filings made with the RoC and/or secretarial records including *inter-alia* in respect of: (i) allotment of Equity Shares, change in registered office and certain other forms required to be filed since incorporation; (ii) share transfer deeds; (iii) records in relation to the forfeiture of shares and re-issuance of such forfeited shares; (iv) certain other corporate records. Though our Company has made efforts to retrieve such records however, there is no certainity that these forms or records will be available in the future. Since copies of these regulatory filings are unavailable with us, we cannot assure you that these regulatory filings were duly filed on a timely basis, or at all.

Further, such corporate and secretarial records are also not available in the records of RoC, as certified by the search report dated January 28, 2019 from Saumayo Jyoti Seal, Company Secretary. There may be inconsistencies between the information provided in certain RoC forms and the statutory and corporate records maintained by us. We cannot assure you of the accuracy and completeness of such internal records maintained by us in respect to the above mentioned and that these discrepancies will not adversely affect our business.

In addition, we have not been able to ascertain the acquisition price and the nature of consideration for the initial acquisition of equity share of our Company by our Promoter from SAIL in the year 1982 due to non-availability of the share transfer deeds. Thus, we have not considered the price for initial acquisition while computing average cost of acquisition of Equity Shares by our Promoter. The share capital build-up included in the section titled "*Capital Structure*" on page 62 of this Red Herring Prospectus is based on certain available statutory and/or other corporate and secretarial records maintained by us.

19. Our contingent liabilities as stated in our Restated Financial Statements could adversely affect our financial condition.

As of September 30, 2018, our Restated Financial Statements disclosed and reflected the following contingent liabilities:

Sr. No.	Particulars	As at September 30, 2018 (₹ in million)
1	Sales Tax & Customs	365.23
2	Money Suits	1,420.56
3	Arbitration	3.02
4	Income Tax	65.42
5	Service Tax	970.28
6	Claims against us not acknowledged as debt	6.14
7	Outstanding Bank Guarantees	137.56
	Total	**2,968.20**

For further details, please see refer to the Note 38 of the section titled "*Financial Statements*" on page 210 of this Red Herring Prospectus.

Any increase in our contingent liabilities or occurrence of these liabilities may materially and adversely affect our financial position, results of operations and cash flows.

20. Our Company has incurred losses in the preceding financial years based on the Restated Financial Statements.

Our Company has incurred loss after tax of ₹ 158.84 million, ₹ 64.81 million and ₹ 2,471.00 million in half year period ended on September 30, 2018, Fiscal 2018 and Fiscal 2016 respectively based on the Restated Financial Statements. The said losses are primarily due to bad debts being written off and provisioning done for other bad and doubtful advances and debts. For further details, please refer to the sections titled "*Financial Statements*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Outstanding Litigation and Other Material Developments*" on pages 169, 227 and 240 of this Red Herring Prospectus, respectively. We cannot assure you that our Company will not incur losses in future.

21. We have experienced negative cash flows in the past. Any negative cash flow in the future could adversely affect the results of operations and financial condition.

We had negative cash flow from our operating and financing activities as set out below:

(₹ in million)

Particulars	For the half year period ended on September 30, 2018	Fiscal 2018	Fiscal 2017	Fiscal 2016
Net cash from operating activities	5,234.89	947.60	(5,193.84)	2,233.34
Net cash (used) in investing activities	(247.40)	105.00	3,771.60	3,051.30
Net cash (used) in financing activities	(3,594.28)	(944.40)	120.40	(3,510.80)

For further details, please refer to the sections titled "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 169 and 227 of this Red Herring Prospectus, respectively. We cannot assure you that our net cash flow will be positive in the future.

22. We have experienced related party transactions in the past and may continue to do so in the future.

We have entered into certain transactions with related parties and may continue to do so in future. Please see "*Related Party Transactions*" on page 215 of this Red Herring Prospectus. We cannot assure you that we could not achieve more commercially reasonalble terms if such transactions were not entered into with related parties. We cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on our our business, results of operations, cash flow and financial condition.

23. Our trading line of business conducted through the associate supplier model faces execution risk from our associate suppliers. Any non-performance/under-performance by the associate supplier could affect our reputation and consequently our business.

We conduct a portion of our trading business through the associate supplier model. The empanelment of associate suppliers for a particular material is done through an open process for a fixed tenure. Our Company participates in tenders floated by the buyers with the complete back up of supply of the desired material from the associate supplier. Payment is released to the associate supplier only after receipt of same from the buyer. All the arrangements are on a back-to-back basis with the associate supplier. In this arrangement, we are dependent on the associate supplier for fulfilment of our orders. If our associate suppliers fail to fulfill their contractual commitments, our customers may take action against us. In such eventuality, our reputation could be jeopardized, potentially leading to reduced sales and revenue, which could adversely affect our business, results of operations and financial condition.

24. We may face challenges in meeting our obligations, conditions and restrictions imposed by our financing agreements, which in turn may adversely affect our financial condition.

As on September 30, 2018, we had a total outstanding borrowings of ₹ 3,019.43 million. We may incur additional indebtedness in the future. Our indebtedness could have several important consequences, including but not limited to the following:

- a portion of our cash flow will be used towards repayment of our existing debt, which will reduce the availability of cash to fund working capital needs, capital expenditures, and other general corporate requirements;
- our ability to obtain additional financing in the future at reasonable terms may be restricted;
- our ability to receive advance amounts from our customers;
- fluctuations in market interest rates may affect the cost of our borrowings, as some of our loans are at variable interest rates; and
- we may be more vulnerable to economic downturns, may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions.

Most of our financing arrangements are secured by charge on our assets. Many of our financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. Typically, restrictive covenants under financing documents of our Company relate to obtaining prior consent of the lender for, among others:

- effecting any changes in capital structure;
- any change in management or control of our Company;
- formulating any scheme of amalgamation or reconstruction;
- invest by way of share capital in or lend or advance funds to or place deposits with any other concern; or
- undertake guarantee obligations on behalf of our Company.

In case we fail to meet these conditions or obtain these consents, there could be significant consequences on our business.

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

25. We are subject to various laws and regulations, in jurisdictions where we operate, including those of environmental, health and safety, internet and e-commerce, which may subject us to increased compliance costs, or even an inability to comply at all, both of which may in turn result in an adverse effect on our operations.

Our operations are subject to various central, state and local laws and regulations relating to the protection of the environment and occupational health and safety, including those governing the generation, handling, storage, use, management, transportation and disposal of, or exposure to, raw materials resulting from the procurement, trade, sale, and auctioning of raw materials. We also are subject to technology and internet-related laws and regulations that could encompass the manner in which we conduct our e-auction and e-procurement services. For example, we must ensure all of our e-commerce software remain in compliance with the relevant guidelines of the IT Act and the rules thereunder. Further, the Draft Personal Data Protection Bill, 2018 which is proposed draft of data protection law in India, if enacted, will subject us to a higher threshold for the storage, processing and protection of personal data as well as greater liabilities for breach of our obligations.

There can be no assurance that the relevant authorities will issue relevant certifications, approvals, and permits in the timeframe anticipated by us or at all, and a majority of these approvals are granted for a limited duration. Some of these approvals, licenses and permits have expired and we have either made or are in the process of making applications for renewing these approvals. We cannot assure you that our applications for renewal of these approvals will be issued or granted to us in a timely manner, or at all. Failure by us to renew, maintain or obtain the required permits or approvals may result in the interruption of our operations and may have a material adverse effect on our business, financial condition, results of operations and cash flows. For details of our material certifications, approvals and permits, please refer to the section titled "*Government and Other Approvals*" on page 261 of this Red Herring Prospectus.

26. We rely on automated systems and the internet in the operation of our business and retain customer data, which exposes us to risks from systems failures and security breaches.

Our website, mobile application and computer systems are subject to security breaches, cyber-attacks, viruses, malware, break-ins, phishing attacks or other attacks. We have no control over the security measures put in place to prevent such breaches and attacks or their actions in this respect. Breaches of cyber-security measures could result in misappropriation of information or data, deletion or modification of user information, or a denial-of-service or other interruption to our business operations which may impact our operations and expose us to loss of reputation, loss of business, risk of litigations and may require us to incur significant expenses to remedy any such breach.

We retain personal information received from customers and have put in place security measures to protect against unauthorized access to such information. Personal information held both offline and online is highly sensitive and, if third parties were to access such information without the customers' prior consent or misappropriate that information, it could deter people from transacting on our website, our mobile application and therefore our reputation could be adversely affected. Such technology systems may also be vulnerable to malware attacks, which may block or restrict access to these systems and impair their functionality, unless we are able to rectify the situation. If such unauthorized use of our systems were to occur, data related to our clients/users and other proprietary information could be compromised. The IT Act, as amended, read with rules and regulations thereunder requires us to maintain confidentiality of sensitive personal data or information. Our inability to comply with the aforesaid statute can lead to monetary penalties as well as regulatory actions. Further, the Draft Personal Data Protection Bill, 2018, which is proposed draft of data protection law in India, if enacted, will subject us to a higher threshold for storage, processing and protection of personal data as well as greater liabilities for breach of such data. The occurrence of any such events could adversely affect our business, interrupt our operations, subject us to increased operating costs and expose us to litigation and customers could possibly bring legal claims against us, any of which could adversely affect our business, financial condition and results of operations.

27. The proceeds from this Offer will not be available to us.

As this is an Offer for Sale of Equity Shares by the Selling Shareholder, the proceeds from this Offer will be remitted to the Selling Shareholder and we will not be benefitted from such proceeds.

28. We may face challenges in managing the growth in scale of our operations or e-commerce trends which may adversely affecting our business operations.

We have in recent periods experienced significant growth in our business operations, which has placed, and will continue to place, significant demands on our managerial, operational, and financial infrastructure. Our integrated e-commerce business model includes a wide range of modular, customizable e-commerce solutions developed on an advanced technology platform. We also continue to grow our B2C business operations, targeting merchant and customer acquisition in India as well as internationally. As our operations grow in scale and complexity, whether through offering of new services or expansion into new markets in India and internationally, we must continuously improve, upgrade, adapt and expand our technology systems and infrastructure to offer our merchants and customers enhanced services, features and functionality ahead of rapidly evolving consumer demands, while maintaining the reliability and integrity of our systems and infrastructure in a cost-efficient and competitive manner.

In addition, to effectively manage our growth, we will also need to continue to improve our operational, financial and management controls, as well as our reporting systems and procedures. In particular, continued growth brings with it the challenges involved in continuous training and development of skilled and competent personnel and employees and the developing and improving of internal administrative infrastructure. These systems, enhancements and improvements will require significant capital expenditures and management resources. Our capital expenditure in the past may not reflect our future capital expenditure needs. Failure to implement these improvements could hurt our ability to manage our growth.

If we do not effectively manage our growth or appropriately expand and upgrade our systems and platforms in a timely manner or at a reasonable cost, or both, we may lose market opportunities or damage our attractiveness and reputation with our merchants and customers, which may adversely affect our business, financial condition and results of operations.

29. There are uncertainties involved with our recycling line of business, as it remains in its introductory years of execution and no significant revenue will immediately come from the venture for at least the next few years.

We entered into a joint venture agreement with MIL in Fiscal 2017 to form a JVC to procure and dismantle ELVs and white goods which will help us in diversifying our business. Specifically, we are still developing the most efficient way to obtain raw materials for this particular endeavor.

The development of our recycling business will require significant capital expenditures and there can be no assurance that we will develop significant revenue as a result of these expenditures. Further, there is a lock-in for both the joint venture partner for three (3) years from the date of issuance of share certificate by MMRPL, thereafter the joint venture partners are free to exit from MMRPL. Further, there is a non-compete on both the parties, which is valid for five (5) years from the date of JVA. If MIL opts not to continue with the JVC, it will be difficult to sustain this line of business and MIL may decide to engage in the same line of business with a competing company after non-compete period. Additionally, as on the date of this Red Herring Prospectus, our Group Company MMRPL is in breach of one of the condition mentioned in clause 2.2 of the JVA, in which it was required to enter into an appropriate trademark license agreement to permit the use of the word MSTC for MMRPL's name and for its business. However as on date, no agreement has been entered by MMRPL, MIL and our Company. In the event we are unable to generate significant revenue as a result of these expenditures, we may incur losses, which may have an effect on our financial condition.

30. The average cost of acquisition of Equity Shares by our Promoter is lower than the Offer Price.

Our Promoter's average cost of acquisition of Equity Shares in our Company is lower than the Offer Price as may be decided by our Company and the Selling Shareholder in consultation with the BRLM. For further details regarding average cost of acquisition of Equity Shares by our Promoter in our Company and build-up of Equity Shares by our Promoter in our Company, please refer to the section titled "*Capital Structure*" on page 62 of this Red Herring Prospectus.

31. We are dependent on a number of qualified personnel and the loss of such persons, or our inability to attract and retain such persons in the future, could adversely affect our business, growth prospects, results of operations and cash flows.

Our operations are dependent on our ability to attract and retain qualified personnel. While we believe that we currently have adequate qualified personnel, we may not be able to continuously attract or retain such personnel, or retain them on acceptable terms, given the demand for such personnel. The loss of the services of our qualified personnel may adversely affect our business, results of operations and financial condition. We may require a long period of time to hire and train replacement personnel when qualified personnel cease to be an employee of our

Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting the qualified employees that our business requires.

Further, our senior management team is integral to the success of our business. However, we cannot assure you that we will be able to retain any or all of our management team. Any loss of our senior management or key personnel or our inability to recruit further senior managers or other key personnel could impede our growth and our ability to develop, maintain and expand customer relationships.

In addition, we cannot assure you that our relations with our employees shall remain cordial at all times and that employees will not undertake or participate in strikes, work stoppages or other industrial actions in the future. Any labor disruptions may affect our operations, thereby adversely affecting our business, financial condition and results of operations.

32. Many of our office premises are not owned by us. If we are unable to renew existing leases or relocate our operations on commercially reasonable terms, there may be an adverse effect on our business, financial condition and operations.

Many of our offices are on lease. If we are unable to renew certain or all of these leases on commercially reasonable terms, we may suffer a disruption in our operations or be unable to continue to operate from those locations in the future. In the event any of the lessors or licensors terminate or do not renew the lease or license on commercially acceptable terms, or at all, we will be required to vacate such premises. Any failure to renew our leases or to find alternative properties may have an adverse impact on our operations and profitability. For details of our leases and other property-related matters, please refer to the section titled "*Our Business*" on page 117 of the Red Herring Prospectus.

33. Our insurance coverage may not adequately protect us against all material hazards.

We maintain such insurance coverage as we believe is customary in our industry. Our key insurance policies include risks of stock-turnover, fire and earthquake and burglary among others. We have maintained an insurance coverage of ₹ 704.20 million which is 1.65% of the total assets as per the Restated Financial Statements as at September 30, 2018. There can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have taken out sufficient insurance to cover all material losses. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, that is not covered by insurance or exceeds our insurance coverage, the loss would have to be borne by us and our cash flows and financial performance could be adversely affected.

34. Our failure to keep our technical knowledge confidential could erode our competitive advantage.

We possess extensive technical knowledge about our specific, customized e-commerce software and programs. Our technical knowledge is a significant independent asset, which may not be adequately protected by intellectual property rights. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run.

Certain proprietary knowledge may be leaked, either inadvertently or willfully, at various stages of the development process. A significant number of our employees have access to confidential product information and there can be no assurance that this information will remain confidential. Moreover, certain of our employees may leave us and join our various competitors. Although we may seek to enforce nondisclosure agreements in respect of certain key employees, we cannot guarantee that we will be able to successfully enforce such agreements. In the event the confidential technical information in respect of our products or business becomes available to third parties or to the general public, any competitive advantage we may have over other companies in the e-commerce, trading or recycling sectors could be harmed. If a competitor is able to reproduce or otherwise capitalize on our technology, it may be difficult, expensive or impossible for us to obtain necessary legal protection. Consequently, any leakage of confidential technical information could have an adverse effect on our business, results of operations, financial condition and future prospects.

35. If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks.

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. There can be no assurance that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls. Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely impact our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud.

36. We may be unable to prevent the infringement of our intellectual property rights by third parties, including our current and future competitors.

We have obtained registrations for certain trademarks, such as, '*MSTC LIMITED*', '*M3 MSTC METAL MANDI*' and '*MSTCECOMMERCE*' under various classes of the Trade Marks Act, 1999. For details, refer to the section titled "*Government and Other Approvals*" on page 263 of this Red Herring Prospectus. We believe that our trademarks have significant brand recognition, therefore, our trademarks are significant to our business and operations. There can be no assurance that our data or proprietary technology will not be copied or otherwise misappropriated or abused by third parties. There may be irreparable damage to our business in the event that our intellectual property is infringed by competitors, in which case an award of damages may not be an adequate remedy.

In addition, effective intellectual property rights protection may not be available in all jurisdictions where we may operate in the future and policing unauthorized use of our data or technology is difficult and expensive. We may be required to resort to litigation or other legal proceedings to enforce, protect or determine the validity and scope of our intellectual property rights, especially in relation to our e-commerce technology, and to defend against third party infringements, which may be expensive and resource-consuming and might create uncertainty as to the ownership of such rights or may not result in a satisfactory remedy or recourse.

If we are unable to protect our current and future intellectual property rights with respect to our business, our ability to compete effectively will be impaired, which may materially and adversely affect our business prospects, results of operations and financial condition.

37. We might infringe upon the intellectual property rights of others, which could harm our competitive position.

While we take care to ensure that we comply with the intellectual property rights of third party, if any, we cannot determine with certainty as to whether we are infringing on any existing third-party intellectual property rights, which may force us to alter our technologies, obtain licenses or cease some of our operations. We may also be susceptible to claims from third parties asserting infringement and other related claims. If claims or actions are asserted against us, we may be required to obtain a license, modify our existing technology or cease the use of such technology and design a new non-infringing technology. Such licenses or design modifications can be extremely costly. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, which settlement could be costly. We may also be liable for any past infringement. Any of the foregoing could adversely affect our business, results of operations and financial condition.

38. The GoI could enforce the increase of wages and salaries for our workmen and officers, which could increase our expenses and may adversely affect our business prospects, financial condition and operating results in the years of implementation.

The DPE from time to time may issue circulars/OM relating to the upward pay revision of both executives and non-unionized officers of CPSEs. This encompasses, inter alia, fitment benefits, increments, dearness allowance, house rent allowance, perks, performance related pay, superannuation benefits, among others, along with prescribing the methodology for pay fixation including pay revisions with retrospective effect.

Additionally, trade unions representing our workmen may negotiate the wage structure of workmen from time to time due to which there will be an increase in our labor costs and consequently the costs and prices of our services, which in turn could result in a reduction in margins. Such increased employee costs may adversely affect our financial condition in the years following implementation and in case we are unable to increase productivity or to get such costs increase recovered from our customers or a combination of both, it will have adverse impact on our margins, operating results and financial condition. In addition, the price increase may make our services less competitive and adversely affect our business prospects and revenues.

39. There may be significant independent press coverage about our Company and this Offer, and we strongly caution you not to place reliance on any information contained in press articles, including, in particular, any financial projections, valuations or other forward-looking information, and any statements that are inconsistent with the information contained in this RHP.

There may be significant press coverage about our Company and this Offer, that may include financial projections, valuations and other forward-looking information, as well as statements that are inconsistent or conflict with the information contained in this RHP. We do not accept any responsibility for the accuracy or completeness of such press articles, and we make no representation or warranty as to the appropriateness, accuracy, completeness or reliability of any of the projections, valuations, forward-looking information, or of any assumptions underlying such projections, valuations, forward-looking information or any statements are inconsistent or conflict with the information contained in this RHP, included in or referred to by the media.

40. Some of the information disclosed in this Red Herring Prospectus is based on information from an industry report which we have commissioned from Dun & Bradstreet.

This Red Herring Prospectus includes information that is derived from an industry report dated January 18, 2019 titled *"E-Commerce Industry in India with focus on B2B Segment"* ("**D&B Report**"), prepared by Dun & Bradstreet, a research house, pursuant to an engagement with the Company. We commissioned this report for the purpose of confirming our understanding of the e-commerce and trading industries in India. Neither we, nor the BRLM, nor any other person connected with the Offer has verified the information in the commissioned report. Dun & Bradstreet has advised that while it has taken due care and caution in preparing the commissioned report, which is based on information obtained from sources that it considers reliable ("**Information**"), it does not guarantee the accuracy, adequacy or completeness of the Information and disclaims responsibility for any errors or omissions in the Information or for the results obtained from the use of the Information. The commissioned report also highlights certain industry and market data, which may be subject to assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors.

We cannot assure you that Dun & Bradstreet's assumptions are correct or will not change and, accordingly, our position in the market may differ, favorably or unfavorably, from that presented in this Red Herring Prospectus. Further, the commissioned report is not a recommendation to invest in our Company. Dun & Bradstreet has disclaimed all financial liabilityin case of any loss suffered on account of reliance on any information contained in the D&B Report. Prospective investors are advised not to unduly rely on the commissioned report or extracts thereof as included in this Draft Herring Prospectus, when making their investment decisions.

41. Our ability to pay dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. In accordance with the CPSE Capital Restructuring Guidelines, our Company is required to pay a minimum annual dividend of 30% of its profit after tax or 5% of its net worth, whichever is higher, unless an exemption is provided in accordance with this guideline. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and subsequent approval of shareholders and will depend on factors that our Board and shareholders deem relevant/or, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends at any point in the future. For details of dividend paid by our Company in the past, refer to the section titled "*Dividend Policy*" on page 168 of this Red Herring Prospectus.

42. Certain Equity Shares held in IEPF are not tradeable, and the liquidity of those shares are subject to the claims by requisite owners.

Pursuant to the approval of the Shareholders dated December 26, 2018 and the board meeting dated January 11, 2019, our Company has allotted 35,200,000 bonus shares in the ratio of 1:1 to all its shareholders. However, our Company has not been able to allot bonus shares to the certain shareholders who do not have a demat account. Such number of Equity Shares held by the respective shareholders in physical mode will not be tradeable until the holders of such Equity Shares opens a demat account and dematerialize such physical shares.

Further, as per Section 124 (6) of the Companies Act, 2013 read with rules made thereunder, our Company has transferred all such Equity Shares to the demat account of IEPF on November 22, 2017 in respect of which dividend has remained unclaimed in accordance with the applicable law. Such Equity Shares transferred to the demat account of IEPF will not be tradeable until such time the same are claimed by their respective holders. Once such claim is made by the respective holders of the Equity Shares and also upon the conversion of the physical shares into demat form by the respective shareholders are complete, then the liquidity of such Equity Shares will increase thereby allowing tradability of such Equity Shares.

43. Our Subsidiary is dependent on the contracts awarded by SAIL based on the nomination policy of the MoS, and the discontinuation of such contracts due to any change in the nomination policy may adversely the business of our Subsidiary.

Our Subsidiary had been undertaking the work of handling and processing of slag and recovery/processing of metallic scrap from Bhilai steel plant, Durgapur steel plant and Bokaro steel plant of SAIL since 2008 through various memorandum of understandings ("**MoU**"). Such contracts were awarded in favour of our Subsidiary on nomination basis, without any competitive bidding process, pursuant to an order dated August 28, 2008 passed by Ministry of Steel, based on a report dated May 14, 2008 of the Expert Committee ("**Committee**"), constituted under the directions issued by the Department of Public Enterprise vide its letter dated November 21, 2007. However, such practice was challenged in the writ petition bearing no. 33074 of 2013 filed before the High Court at Calcutta by International Commerce Limited and Mr. Shree Kumar Lakhotia. Vide its order dated January 25, 2019 corrected on January 30, 2019 and received by our Subsidiary on February 5, 2019, the High Court at Calcutta has quashed the decision of SAIL to award the contract to our Subsidiary on a nomination basis. Our Subsidiary has filed an appeal dated February 15, 2019 against the order of the High Court at Calcutta and a stay petition for the stay of the aforementioned order which is pending with High Court at Calcutta.

Though our Subsidiary is presently in performance of the contract under the MoU executed on May 02, 2018 which is valid upto March 31, 2019, there can be no assurance regarding the future contracts due to uncertainty of the outcome of the aforementioned appeal. Our Subsidiary is dependent on such contracts for majority of the revenues. In the event, the matter is decided against our Subsiriary and our Subsidiary is unable to receive contracts from SAIL, on competitive basis on similar terms or at all, it will have an adverse impact on financials of our Subsidiary and our consolidated financials. For further details, please refer to the section titled "*Outstanding Litigation and Other Material Developments*" on page 259 of this Red Herring Prospectus.

External Risk Factors

44. Any factors that negatively affect the growth and profitability of the e-commerce industry in India or the Internet as a medium for e-commerce in India could adversely affect our business, financial condition and results of operations and prospects.

Our future operating results will depend on numerous factors affecting the development of e-commerce, which may be beyond our control. These factors include the rate of growth of personal computers, tablets, mobile devices, Internet and broadband usage and penetration, extant laws, regulations and policies governing online commerce, consumer confidence in online commerce, media publicity regarding online commerce, concerns on online data privacy and general economic conditions globally and in particular India. In particular, the European Union General Data Protection Regulation ("**GDPR**") has taken effect from May 25, 2018, which may result in more restrictive privacy-related requirements for entities outside the European Union that process personally identifiable information about European data subjects. We may fail to comply with any of these requirements, and compliance with these requirements may increase our compliance burden and costs. Further, if e-commerce in India and Internet adoption by Indian SMEs do not continue to develop as we expect them to, or if we fail to identify and anticipate changes in trends and preferences in the e-commerce industry and address them in time or at all, our business, financial condition and results of operations and prospects will be materially and adversely affected. The continued growth in our revenue is substantially dependent upon the widespread acceptance and use of the Internet as a medium for commerce by businesses. In particular, rapid growth in the use of the Internet and other online services is still a relatively recent phenomenon in India, and we cannot assure you that this trend will continue, that Internet penetration among Indian suppliers, particularly SMEs will increase or that a sufficiently broad base of buyers will adopt and continue to use the Internet as a medium of commerce. As a result, growth in our user base and our e-marketplace is dependent on attracting to our e-marketplace suppliers and buyers who have historically used traditional channels of commerce to sell and purchase products and services.

Concerns about fraud, privacy, lack of trust and other problems may also discourage businesses from adopting the Internet as a medium of commerce. If these concerns are not adequately addressed, they may inhibit the growth of e-commerce and communications. In addition, if a well-publicized breach of Internet security or privacy were to occur, general Internet usage could decline, which could reduce the use of our services and products and impede our growth. Our business, financial condition, results of operations and prospects will suffer to the extent the Internet, the e-commerce industry and the use of the Internet as a medium of commerce in India do not continue to grow.

45. Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.

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

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

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

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition.

Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighboring 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.

47. Our business activities may be affected by competition law in India and any adverse application or interpretation of the Competition Act could in turn adversely affect our business.

The Competition Act was enacted to prevent practices that have or are likely to have an adverse effect on competition in India. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and is void. The Competition Act also prohibits abuse of a dominant position by any enterprise. It also requires acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among other things, prohibit all agreements and transactions which may have an appreciable adverse effect in India. Consequently, all agreements entered into by our Company could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any questionable activity outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. The impact of the Competition Act on our agreements and business cannot be predicted with certainty at this stage. There can be no assurance that we will not become a party to a legal proceeding regarding competition. If we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, financial condition, results of operations and prospects.

48. ***The new bankruptcy code in India may affect our rights to recover receivables or force us to make payables.***

The Insolvency and Bankruptcy Code, 2016 ("**Bankruptcy Code**") was notified on August 5, 2016. The Bankruptcy Code offers a uniform and comprehensive insolvency legislation encompassing all companies, partnerships and individuals (other than financial firms). It allows creditors to assess the viability of a debtor as a business decision and agree upon a plan for its revival or a speedy liquidation. The Bankruptcy Code creates a new institutional framework, consisting of a regulator, insolvency professionals, information utilities and adjudicatory mechanisms, which will facilitate a formal and time-bound insolvency resolution and liquidation process. In case insolvency proceedings are initiated against a debtor to our Company, we may not have complete control over the recovery of amounts due to us. Under the Bankruptcy Code, upon invocation of an insolvency resolution process, a committee of creditors is constituted by the interim resolution professional, wherein each financial creditor is given a voting share proportionate to the debts owed to it. Any decision of the committee of creditors must be taken by a vote of not less than 75% of the voting share of all financial creditors. Any resolution plan approved by committee of creditors is binding upon all creditors, even if they vote against it. In case a liquidation process is opted for, the Bankruptcy Code provides for a fixed order of priority in which proceeds from the sale of the debtor's assets are to be distributed. Before sale proceeds are distributed to a secured creditor, they are to be distributed for the costs of the insolvency resolution and liquidation processes, debts owed to workmen and other employees, and debts owed to unsecured credits. Further, under this process, dues owed to the Central and State Governments rank at par with those owed to secured creditors. Moreover, other secured creditors may decide to opt out of the process, in which case they are permitted to realise their security interests in priority. Accordingly, if the provisions of the Bankruptcy Code are invoked against any of the borrowers of our Company, it may affect our Company's ability to recover our loans from the borrowers and enforcement of our Company's rights will be subject to the Bankruptcy Code.

49. ***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.

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

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

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

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

These could include further falls in stock exchange indices and greater volatility of markets in general due to the increased uncertainty. These and other related events could have a significant impact on the global credit and financial markets as a whole, and could result in reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the global credit and financial markets. There are also concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth.

In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance and the trading price of the Equity Shares.

51. Investors in the Equity Shares may not be able to enforce a judgment of a foreign court against us.

We are a public company incorporated under the laws of India. All our directors and key managerial personnel named in this Red Herring Prospectus are residents of India. Further, our assets are primarily located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons, or to enforce judgments obtained against us or such persons in jurisdictions outside India. The recognition and enforcement of foreign judgments in India is governed by Sections 13 and 44A of the Code of Civil Procedure, which provide that a suit must be brought in India within three years from the date of the judgment sought to be enforced. Generally, there are considerable delays in the disposal of suits by Indian courts. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were to be brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with Indian practice.

52. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

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

53. Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.

Foreign ownership of Indian securities is subject to GoI regulation. In accordance with foreign exchange regulations currently in effect in India, under certain circumstances the RBI must approve the sale of the Equity Shares from a non-resident to a resident of India or vice-versa if the sale does not meet certain requirements specified by the RBI. Additionally, any person who seeks to convert the Rupee proceeds from any such sale into foreign currency and repatriate that foreign currency from India is required to obtain a no-objection or a tax clearance certificate from the Indian income tax authorities, if any. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted. However, where shares of an Indian company are listed on a recognized stock exchange in India, the price of shares transferred by way of sale shall not be less than the price at which a preferential allotment of shares can be made under the SEBI Guidelines, as applicable, provided that the same is determined for such duration as specified therein, preceding the relevant date, which shall be the date of purchase or sale of shares or in accordance with SEBI guidelines, as the case may be. We cannot assure you that any required approval from the RBI or any other government agency can be obtained on terms favorable to a non-resident investor in a timely manner or at all. Because of possible delays in obtaining requisite approvals, investors in the Equity Shares may be prevented from realizing gains during periods of price increase or limiting losses during periods of price decline.

54. The Equity Shares have never been publicly traded and after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in the Stock Exchanges, securities markets in other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

55. ***There are restrictions on daily movements in the trading price of the Equity Shares, which may adversely affect a shareholder's ability to sell Equity Shares or the price at which Equity Shares can be sold at a particular point in time.***

Our listed Equity Shares will be subject to a daily "circuit breaker" imposed on listed companies by the Stock Exchanges, which does not allow transactions beyond certain volatility in the trading price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on the Equity Shares' circuit breaker will be set by the Stock Exchanges based on historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges are not required to inform our Company of the percentage limit of the circuit breaker, and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the trading price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

56. ***You will not be able to immediately sell any of the Equity Shares you purchase in this Offer on the Stock Exchanges.***

The Equity Shares will be listed on the BSE and the NSE. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Upon receipt of final approval from the Stock Exchanges, trading in the Equity Shares is to commence within six (6) working days of the date of closure of the Offer or such other time as may be prescribed by SEBI. We cannot assure that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time period prescribed by law. Further there can be no assurance that the Equity Shares to be Allotted pursuant to this Offer will be listed on the Stock Exchanges in a timely manner or at all, and any trading closures at the stock exchange may adversely affect the trading price of the equity shares.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. As per the Finance Act, 2018, long term capital gains exceeding ₹ 100,000 arising from sale of Equity Shares on or after April 1, 2018 are taxable subject to the grandfathering provision. Accordingly, you will be subject to payment of long-term capital gains tax in India, in addition to payment of Securities Transaction Tax ("**STT**"), on the sale of any Equity Shares held for more than twelve (12) months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any gain realized on the sale of listed equity shares held for a period of twelve (12) months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially exempt or exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is 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 the Equity Shares.

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

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

59. ***Additional issuances of equity may dilute your holdings.***

Any future equity issuances by us, including in a primary offering or pursuant to a preferential allotment or issuances of stock options under employee stock option plans, or any perception by investors that such issuances or sales might occur may lead to the dilution of investor shareholding in our Company or affect the trading price of the Equity Shares and could affect our ability to raise capital through an offering of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by our Promoter, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. Except as disclosed in "*Capital Structure*" on page 62 of this Red Herring Prospectus, we cannot assure you that our Promoter will not dispose of, pledge or encumber their Equity Shares in the future.

60. The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.

The Offer Price of the Equity Shares will be determined by our Company and the Selling Shareholder in consultation with the BRLM through the Book Building Process. This price will be based on numerous factors, as described under "*Basis for Offer Price*" on page 84 of this Red Herring Prospectus and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that the investor will be able to sell their Equity Shares at or above the Offer Price.

SECTION IV: INTRODUCTION

THE OFFER

The following table summarises the Offer details:

Offer[(1)(4)]	**Up to 17,670,400 Equity Shares aggregating up to ₹ [●] million**[(3)]
Of which:	
Employee Reservation Portion [(2)(4)]	70,400 Equity Shares
Net Offer	17,600,000 Equity Shares
of which:	
A. QIB Portion [(2)]	Not less than 13,200,000 Equity Shares
of which:	
Mutual Fund Portion	660,000 Equity Shares
Balance for all QIBs including Mutual Funds	12,540,000 Equity Shares
B. Non-Institutional Portion[(2)]	Not more than 2,640,000 Equity Shares
C. Retail Portion [(2)(3)]	Not more than 1,760,000 Equity Shares
Pre- and post-Offer Equity Shares	
Equity Shares outstanding prior to and post completion of this Offer	70,400,000 Equity Shares
Use of proceeds of this Offer	Our Company will not receive any proceeds from this Offer as this is an Offer for Sale. Please refer to the section titled "*Objects of the Offer*" on page 84 of this Red Herring Prospectus.

(1) *The Offer has been authorised by our Board pursuant to a resolution passed at its meeting held on January 11, 2019. The Selling Shareholder, through its consent letter bearing file no. D.O. No. 3(1)/2010-MF (Part) dated January 30, 2019 has conveyed the consent for inclusion of 17,600,000 Equity Shares of our Company and through its consent letter bearing file no. F. No. 3(1)/2010-MF (Part) dated March 6, 2019 has conveyed the consent for inclusion of additional 70,400 Equity Shares for Employee Reservation Portion, as part of the Offer for Sale. For further details, please refer to the section titled "Capital Structure" on page 62 of this Red Herring Prospectus.*

The Selling Shareholder specifically confirms that the Offered Shares have been held by them for a period of at least one (1) year prior to the date of filing of the Draft Red Herring Prospectus, in accordance with Regulation 8 of the SEBI ICDR Regulations and are eligible for being offered for sale in this Offer.

(2) *Eligible Employees bidding in the Employee Reservation Portion can Bid up to a Bid Amount of ₹ 500,000 (excluding Employee Discount). However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹ 200,000 (excluding Employee Discount). In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000 (excluding Employee Discount), subject to the maximum value of Allotment made to an Eligible Employee not exceeding ₹ 500,000 (excluding Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation over ₹ 200,000 up to ₹ 500,000), shall be added to the Net Offer.*

Subject to valid Bids being received at or above this Offer Price, under-subscription, if any, in any category except the QIB Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholder, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis and in accordance with applicable laws, rules, regulations and guidelines, subject to valid Bids being received at or above the Bid Amount. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, please refer to the section titled "Offer Structure" on page 283 of this Red Herring Prospectus.

5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from the Mutual Funds is less than 660,000 Equity Shares, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be *added to the QIB Portion and allocated proportionately to the QIB Bidders in proportion to their Bids. For details, please refer to the section titled "Offer Procedure " on page 286 of this Red Herring Prospectus.*

Equity Shares shall be allocated in the manner specified in the section "Terms of the Offer" on page 278 of this Red Herring Prospectus.

(3) *Our Company and the Selling Shareholder, in consultation with the BRLM, will offer a discount of ₹ [●] per Equity Shares on the Offer Price to the Retail Individual Bidders and/or a discount of ₹ [●] per Equity Share on the Offer Price will be offered to the Eligible Employees bidding under the Employee Reservation Portion. The amount of Retail Discount and/or Employee Discount, as applicable, will be advertised in all newspapers wherein the Pre-Offer Advertisement will be published. For further details, please refer to the section titled "Offer Procedure" on page 286 of this Red Herring Prospectus.*

(4) *The Offer includes a reservation of up to 70,400 Equity Shares aggregating to ₹ [●] million for subscription by Eligible Employees. The Offer less Employee Reservation Portion is referred to as the Net Offer. The Offer and the Net Offer will constitute 25.10% and 25.00% respectively, of the post Offer paid-up Equity Share capital of our Company.*

Allocation to Bidders in all categories (including Employee Reservation Portion), except the Retail Portion, if any, shall be made on a proportionate basis subject to valid Bids being received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. For further details, please refer to the section titled "*Offer Procedure – Allotment Procedure and Basis of Allotment*" on page 286 of this Red Herring Prospectus.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from the Restated Financial Statements of our Company.

The Restated Financial Statements have been prepared, based on financial statements for the half year period ended on September 30, 2018 and Fiscals 2018, 2017 and 2016. The Restated Financial Statements have been prepared in accordance with the Companies Act, Ind-AS and restated in accordance with the SEBI ICDR Regulations.

The summary financial information presented below should be read in conjunction with our Restated Financial Statements, the notes thereto and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 169 and 227 of this Red Herring Prospectus, respectively.

RESTATED CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(₹ in millions)

ASSETS	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Non-current assets				
Property, plant and equipment	704.20	677.10	641.90	615.50
Capital work-in-progress	169.39	104.40	21.80	41.40
Intangible assets	10.50	13.30	16.40	1.10
Financial assets				
Investments in Joint Venture	78.15	88.00	26.30	0.00
Trade receivables	-	4.40	0.50	0.20
Other financial assets	255.40	555.60	804.90	580.30
Non-current tax assets	394.11	571.54	151.70	90.60
Deferred tax assets (net)	2,637.28	2,815.76	3,170.50	3,124.20
Other non-current assets	166.76	104.00	39.30	58.30
Total non-current assets	**4,415.79**	**4,934.10**	**4,873.30**	**4,511.60**
Current assets				
Inventories	58.38	41.60	743.90	191.70
Financial assets				
Trade receivables	31,881.49	36,167.61	34,598.14	25,815.94
Cash and cash equivalents	1,508.66	1,758.60	902.40	3,071.15
Other bank balances	4,028.72	3,789.40	3,986.00	7,005.11
Other financial assets	481.51	517.75	696.20	823.25
Other current assets	162.54	143.60	171.80	176.20
Assets held for sale	29.19	25.90	26.40	26.80
Total current assets	**38,150.49**	**42,444.46**	**41,124.84**	**37,110.15**
Total Assets	**42,566.28**	**47,378.56**	**45,998.14**	**41,621.75**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	352.00	352.00	176.00	88.00
Other equity	2,927.18	3,309.59	3,884.30	3,058.70
Total Equity	**3,279.18**	**3,661.59**	**4,060.30**	**3,146.70**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	33.41	-	-	-
Trade Payables	2.64	2.64	2.64	2.64
Other financial liabilities	8.53	9.40	6.80	8.40
Provisions	569.91	893.34	652.90	458.00
Other non-current liabilities	80.38	73.69	56.80	62.70
Total non-current liabilities	**694.87**	**979.07**	**719.14**	**531.74**
Current liabilities				
Financial liabilities				
Borrowings	2,986.02	7,661.80	6,883.50	6,533.31
Trade payables	21,901.30	26,038.20	25,596.80	21,731.70
Other financial liabilities	13,146.84	8,556.90	8,105.30	8,827.40
Other current liabilities	296.72	265.80	164.40	208.60
Provisions	258.90	212.70	468.00	621.90
Current tax liabilities	-	-	-	19.60
Liabilities directly associated with assets classified as held for sale	2.45	2.50	0.70	0.80
Total current liabilities	**38,592.23**	**42,737.90**	**41,218.70**	**37,943.31**
Total equity and liabilities	**42,566.28**	**47,378.56**	**45,998.14**	**41,621.75**

RESTATED CONSOLIDATED SUMMARY STATEMENT OF PROFIT AND LOSS

(₹ in millions)

PARTICULARS	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Revenue from operations	14,769.12	22,654.00	17,392.20	32,251.60
Other income	146.38	5,277.50	1,369.80	826.40
Total revenue	**14,915.50**	**27,931.50**	**18,762.00**	**33,078.00**
Expenses				
Purchases of Stock-in-Trade/Operational Consumables & Spares	11,070.94	15,192.80	12,826.10	25,909.80
Changes in stock of finished goods, work-in-progress and stock-in-trade	-	707.40	(554.50)	1,315.40
Employee benefit expense	787.40	2,114.90	1,491.50	1,401.30
Finance costs	334.58	673.60	677.20	973.80
Depreciation and amortisation expense	63.75	123.90	121.30	116.10
Other expenses	2,244.28	8,771.31	2,367.30	5,301.00
Total expenses	**14,500.95**	**27,583.91**	**16,928.90**	**35,017.40**
Profit/(Loss) before exceptional items and tax	**414.55**	**347.59**	**1,833.10**	**(1,939.40)**
Exceptional Items	-	-	0.50	4.00
Profit before share of profit/(loss) of Joint Ventures and tax	**414.55**	**347.59**	**1,832.60**	**(1,943.40)**
Share of profit/(loss) of Joint Ventures	(9.85)	(13.10)	(4.70)	-
Profit/(Loss) before tax	**404.70**	**334.49**	**1,827.90**	**(1,943.40)**
Tax expense				
(i) Current tax	393.50	53.26	451.00	610.00
(ii) Deferred tax	170.04	346.04	(14.60)	(82.40)
Total tax expense	**563.54**	**399.30**	**436.40**	**527.60**
Net profit / (loss) after tax	**(158.84)**	**(64.81)**	**1,391.50**	**(2,471.00)**
Other comprehensive income / (loss)				
Items that will not be reclassifed to profit or loss	56.73	(30.80)	(87.80)	(286.50)
Income tax on above	(19.82)	(2.10)	30.40	99.10
Share of Other Comprehensive Income of Joint Venture		(0.20)	-	-
Total comprehensive income / (loss) for the period	**(121.93)**	**(97.91)**	**1,334.10**	**(2,658.40)**
Earnings per equity share (face value of ₹ 10 each) :				
Basic (in ₹)	(2.26)	(0.92)	19.77	(35.10)
Diluted (in ₹)	(2.26)	(0.92)	19.77	(35.10)

RESTATED CONSOLIDATED SUMMARY STATEMENT OF CASH FLOWS

(₹ in millions)

PARTICULARS	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit / (loss) for the year	**404.70**	**334.49**	**1,827.90**	**(1,943.40)**
Adjustments for:				
Depreciation / Amortisation of non-current assets	63.75	123.90	121.30	116.10
Loss/(Gain) on disposal of Property Plant and Equipment	(0.19)	(0.50)	5.70	(2.20)
Finance Cost	334.58	673.60	677.20	973.80
Interest Income recognised in profit & loss	(134.92)	(267.30)	(440.10)	(713.90)
Provision no Longer Required Written Back	(0.63)	(4,718.20)	(890.90)	(31.50)
Bad Debt Witten Off	-	4,594.10	241.80	-
Provision for Bad and Doubtful Advances/Debts	1,285.65	2,225.11	312.20	3,586.80
Liability written Back	-	(281.70)	-	(71.10)
Operating profit before working capital changes	**1,952.94**	**2,683.50**	**1,855.10**	**1,914.60**
Adjustments for working capital:				
(Increase)/decrease in Trade and Other Receivables	3,341.81	(2,905.93)	(9,031.18)	8,398.66
(Increase)/decrease in Other Assets	(84.99)	(36.00)	23.75	4.20
(Increase)/ decrease in Inventories	(16.78)	702.30	(552.20)	1,322.88
Increase/ (decrease) in Trade Payables & Others Financial Liabilities	452.17	895.90	3,140.44	(8,862.10)
Increase/ (decrease) in Other Liabilities	37.57	120.09	(50.25)	(140.80)
Increase/ (decrease) in Provisions	(220.51)	(45.66)	(46.70)	328.40
Cash generated from / (used in) operating activities	**5,462.21**	**1,414.20**	**(4,661.04)**	**2,965.84**
Direct Taxes Paid (Net of Refund)	(227.32)	(466.60)	(532.80)	(732.50)
Net cash generated from / (used in) operating activities	**5,234.89**	**947.60**	**(5,193.84)**	**2,233.34**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Payment for Property, Plant & Equipment	(193.11)	(262.90)	(193.80)	(140.00)
Proceeds from disposal of Property Plant & Equipment	40.27	24.80	44.70	5.30
Investment in Fixed Deposits	(239.33)	196.60	3,525.30	2,472.10
Investment in Joint Venture	9.85	(61.70)	(26.30)	0.00
Interest received	134.92	208.20	421.70	713.90
Net cash generated from / (used in) investing activities	**(247.40)**	**105.00**	**3,771.60**	**3,051.30**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Short term borrowings	(2,999.22)	30.30	1,217.10	(2,305.50)
Interest Paid	(334.58)	(673.90)	(676.20)	(973.80)
Dividend Paid	(260.48)	(249.90)	(347.60)	(182.20)
Tax on Dividends Paid	-	(50.90)	(72.90)	(49.30)
Net cash (used) in financing activities	**(3,594.28)**	**(944.40)**	**120.40**	**(3,510.80)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**1,393.22**	**108.20**	**(1,301.84)**	**1,773.84**

Cash and cash equivalents as at the beginning of the period	**(281.00)**	**(389.20)**	**912.64**	**(861.20)**
Closing balance of cash and cash equivalents	**1,112.22**	**(281.00)**	**(389.20)**	**912.64**
Components of cash and cash equivalents:				
Cash and cash equivalents at the end of the Period	1,508.66	1,758.60	902.40	3,071.15
Less: Over Draft Balances at the end of the Period	396.44	2,039.60	1,291.60	2,158.51
Cash and cash equivalents	**1,112.22**	**(281.00)**	**(389.20)**	**912.64**

GENERAL INFORMATION

Our Company was incorporated as *"Metal Scrap Trade Corporation Limited"*, under the Companies Act, 1956 on September 9, 1964 at Kolkata and the certificate of incorporation was issued by the RoC. Subsequently the name of our Company was changed to *"MSTC Limited"* pursuant to the special resolution passed by our Shareholders in the general meeting held on September 26, 1994 and a fresh certificate of incorporation consequent upon such change of name was issued by the RoC on November 9, 1994. For details of change in the name and Registered Office of our Company, please refer to the section titled "*History and Certain Corporate Matters*" on page 135 of this Red Herring Prospectus.

REGISTERED AND CORPORATE OFFICE OF OUR COMPANY

MSTC Limited
225-C, A. J. C. Bose Road,
Kolkata – 700020,
West Bengal, India
Tel: +91-33-2281-3088
Email Id: cosec@mstcindia.co.in
Website: www.mstcindia.co.in
CIN: U27320WB1964GOI026211
Registration Number: 026211

ADDRESS OF THE REGISTRAR OF COMPANIES

Our Company is registered with the RoC, situated at the following address:

Registrar of Companies
Nizam Palace, 2nd MSO Building,
2nd Floor, 234/4, A. J. C. B. Road,
Kolkata – 700020
West Bengal, India
Tel: +91-33-2287-7390

BOARD OF DIRECTORS

The following table sets out the details of our Board as on the date of this Red Herring Prospectus:

Name	Designation	DIN	Address
Bam Bahadur Singh	Chairman and Managing Director	03212787	Heights-7, FL-1802, Uniworld City Rajarhat, New Town, Kolkata- 700156, West Bengal, India.
Subrata Sarkar	Director (Finance) and CFO (Whole Time Director)	08290021	H. No.-73, Junepokhar, Deoghar, Jharkhand-814112, India.
Bhanu Kumar	Director (Commercial) (Whole Time Director)	07982360	House No B-19, 1st Floor, New Krishna Park, Near Janakpuri West Metro Station, Vikaspuri, Tilak Nagar, Rajouri Garden, Delhi-110018, India.
Ruchika Chaudhry Govil	Government Nominee Director	07601895	9/3, Sarv Priya Vihar, Hauz Khas, South Delhi-110016, India.
Promodita	Government Nominee Director	08103401	B-404, Thiruvizha CGHS Ltd, Plot No. 37, Sector-10, Near Indraprastha International School, Dwarka, Sec-6, South West Delhi-110075, India.
Gangaram Aloria	Non-Official (Independent) Director	02913711	1 Government Bunglow, Asarwa Opp Forensic Lab Meghaninagar, Civil Hospital Ahmedabad-380016, Gujarat, India.
Murali Vallabhan	Non-Official (Independent) Director	07964320	Thazhathuruthil House Puliyannoor, P.O.-Puliyannoor (Part) Kottayam-686573, Kerala, India.

Name	Designation	DIN	Address
Rudramauni Shivayogeppa Yeli	Non-Official (Independent) Director	08103544	1146, Sajjanashettar Building, Mruthyunjaya Nagar, Upstairs Bank Colony, Ranibennur, Haveri -581115, Karnataka, India.
Pravati Parida	Non-Official (Independent) Director	03335256	Terundia, Nimapara, Puri- 752106, Odisha, India.
Aparna Chaturvedi	Non-Official (Independent) Director	00028647	17/604, Oshiwara, MHADA Complex, Andheri West, Mumbai- 400053, Maharashtra, India.

For further details regarding our Board of Directors, please refer to the section titled "*Our Management*" on page 144 of this Red Herring Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ajay Kumar Rai is the Company Secretary and the Compliance Officer of our Company. His contact details are as follows:

Ajay Kumar Rai
MSTC Limited
225-C, A. J. C. Bose Road
Kolkata – 700 020
West Bengal, India
Tel: +91-33-22813088
Email Id: cosec@mstcindia.co.in

INVESTORS GRIEVANCES

Investors can contact our Company Secretary and Compliance Officer, the Book Running Lead Manager or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as those relating to share certificates, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt or unblocking of funds by electronic mode.

All grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, the name and address of the Designate Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than RIBs bidding through the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of RIBs bidding through the UPI Mechanism.

Further, the Bidders shall also enclose a copy of the Acknowledgment Slip duly received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

BOOK RUNNING LEAD MANAGER

EQUIRUS CAPITAL PRIVATE LIMITED
12th Floor, C Wing, Marathon Futurex,
N. M. Joshi Marg, Lower Parel,
Mumbai - 400 013
Maharashtra, India
Tel.: +91-22-4332-0600
Email: mstcl.ipo@equirus.com
Investor grievance E-mail: investorsgrievance@equirus.com
Website: www.equirus.com
Contact Person: Ankesh Jain/Gaurav Phadke
SEBI Registration No.: INM000011286

REGISTRAR TO THIS OFFER

ALANKIT ASSIGNMENTS LIMITED
205-208, Anarkali Complex,
Jhandewalan Extension,
New Delhi -110 055
Tel: +91-11-4254-1951/ +91-22-4348-1200
E-mail: sarunraj@alankit.com / saching@alankit.com
Investor grievance e-mail: mstcigr@alankit.com
Contact Person: S. Arunraj/Sachin Gupta
Website: www.alankit.com
SEBI Registration No.: INR000002532

INDIAN LEGAL COUNSEL TO OUR COMPANY AND THE SELLING SHAREHOLDER

SNG & PARTNERS
Advocates & Solicitors
One Bazar Lane, Bengali Market
New Delhi - 110 001, India
Tel: +91-11-4358-2000
E-mail: projectepardarshi@sngpartners.in

INTERNATIONAL LEGAL COUNSEL TO OUR COMPANY AND THE SELLING SHAREHOLDER

PERKINS COIE LLP
500 N. Akard Street, Suite 3300
Dallas, TX 75201, USA
Tel: +1-214-965-7735
E-mail: epardarshi@perkinscoie.com

LEGAL COUNSEL TO THE BOOK RUNNING LEAD MANAGER AS TO INDIAN LAW

CRAWFORD BAYLEY & CO.
State Bank Building, 4th Floor,
N.G.N. Vaidya Marg, Fort
Mumbai – 400 023
Maharashtra, India
Tel: +91-22-2266-3353
E-mail: sanjay.asher@crawfordbayley.com

STATUTORY AUDITOR OF OUR COMPANY

D.K CHHAJER & CO.
Chartered Accountants
Nilhat House,
11, R.N. Mukherjee Road,
Ground Floor, Kolkata – 700001
Tel: +91-33-2230-6106
Firm Registration No.: 304138E
Email: dkchhajer@gmail.com
Peer Review No.: 009169

CHANGES IN AUDITORS

Except as stated below, there has been no change in our auditors in the last three (3) years:

S No.	Name, Address, E-mail, Peer Review Number and Firm Registration Number of the Auditors	Reasons of change
1.	Ray & Co. Chartered Accountants 21 A, Shakespeare Sarani, Flat 8C, 8th Floor, Kolkata – 700017 Tel: +91-33-2280-2266 Firm Registration No.: 313124E	Upon completion of tenure of Ray & Co., the CAG appointed D.K. Chhajer & Co. as the Statutory Auditor of our Company

	Email: caskroy@gmail.com Peer Review No.: 010878	

SYNDICATE MEMBER

EQUIRUS SECURITIES PRIVATE LIMITED
12th Floor, C Wing, Marathon Futurex,
N. M. Joshi Marg, Lower Parel,
Mumbai - 400 013
Tel.: +91-079-6190-9561
Email: jay.soni@equirus.com
Investor grievance E-mail: admin_equities@equirus.com
Website: www.equirus.com
Contact Person: Jay Soni
SEBI Registration No.: NSE CM – INB231301731, NSE F&O – INF231301731, BSE CM – INB011301737

BANKERS TO THE OFFER/ PUBLIC OFFER ACCOUNT BANK/ REFUND BANK

HDFC BANK LIMITED
FIG-OPS Department,
Lodha-I Think Techno Campus,
O-3 Level, next to Kanjurmarg Railway Station,
Kanjurmarg (East), Mumbai-400042
Tel: +91-22-30752914/28/29
E-mail: siddharth.jadhav@hdfcbank.com, prasanna.uchil@hdfcbank.com,
neerav.desai@hdfcbank.com, Vincent.dsouza@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: siddharth jadhav/Prasanna Uchil/Neerav Desai/ Vincent Dsouza
SEBI Registration Number: INBI00000063

ICICI BANK LIMITED
Capital Markets Division,
1st Floor, 122, Mistry Bhavan,
Dinshaw Vachha Road,
Backbay Reclamation, Churchgate,
Mumbai-400020
Tel: +91-22-66818933/23/24
E-mail: meghana.avala@icicibank.com
Website: www.icicibank.com
Contact Person: Meghana Avala
SEBI Registration Number: INBI00000004

SPONSOR BANK

ICICI BANK LIMITED
Capital Markets Division,
1st Floor, 122, Mistry Bhavan,
Dinshaw Vachha Road,
Backbay Reclamation, Churchgate,
Mumbai-400020
Tel: +91-22-66818933/23/24
E-mail: meghana.avala@icicibank.com
Website: www.icicibank.com
Contact Person: Meghana Avala
SEBI Registration Number: INBI00000004

DESIGNATED INTERMEDIARIES

Self-Certified Syndicate Banks

The list of SCSBs for the ASBA process is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other website(s) as may be updated or prescribed by SEBI from time to time. A list of the Designated SCSBs Branches of the SCSBs with which a Bidder, not bidding through Syndicate/sub Syndicate or through a Registered Broker, CRTA or CDP, may submit the Bid cum Application Forms is available at the abovementioned link on the website of the SEBI, or at such other website(s) as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the members of Syndicate at Specified Locations, see the website of SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35).

Registered Brokers

Bidders could submit ASBA Forms in the Offer using the stock broker network of the Stock Exchanges, i.e. through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of BSE and NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and, https://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm respectively, or such other website as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and email address, are provided on the websites of Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of the Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm respectively, as updated from time to time.

Bankers to our Company

Punjab National Bank Address: 52A, Shakespeare Sarani, Kolkata-700017, West Bengal Tel: +91-33-228-71738 E mail: bo3190@pnb.co.in Website: www.pnbindia.com Contact Person: Naresh Kumar Nagpal	**Union Bank of India** Address: 1/1, Camac Street, 1st Floor, Kolkata-700016, West Bengal Tel: +91-33-2229-6322/2229-7908 E mail: ifbkolkata@unionbankofindia.com Website: www.unionbankofindia.com Contact Person: Jitendra Rautela
State Bank of India Address: 11 Loudon Street, Kolkata-700017, West Bengal Tel: +91-33-2281-3350 E mail: sbi.03681@sbi.co.in Website: www.sbi.co.in Contact Person: Chief Manager, SBI, LA Martiniere	**Central Bank of India** Address: Gokulesh-II, Sampatrao Colony, R. C. Dutt Road, Vadodara - 390007 Tel: +91-265-235-2520 E mail: bmbaro0987@centralbank.co.in Website: www.centralbankofindia.co.in Contact Person: Siddharth Kumar Singh

YES Bank Address: Stephen House, 56 A Hemanta Basu Sarani, Ground and Mezzanine Floor, Kolkata-700001, West Bengal Tel: +91-33-3097-9000 E mail: archita.nandy@yesbank.in Website: www.yesbank.in Contact Person: Archita Nandy	**Axis Bank** Address: Sarat Bose Road, Lansdown Towers, 2/1A, Sarat Bose Road Tel: +91-33-2289-5710 E mail: priority bankingkol.branchhead@axisbank.com Website: www.axisbank.com Contact Person: Mriganka Saha
Bank of India Address: 5, B.T.M. Sarani, 1st Floor, Kolkata-700001 Tel: +91-33-2231-3259 E mail: LCB.kolkata@bankofindia.co.in Website: www.bankofindia.co.in Contact Person: Manish Gupta	**Indian Bank** Address: 3A, Hare Street, Kolkata-700001 Tel: +91-33-2210-6192/93/94 E mail: strandroad@indianbank.co.in Website: www.indianbank.in Contact Person: Anupam Saha
Indian Overseas Bank Address: Tolstoy Marg Branch, Prakash Deep Building 7, Tolstoy Marg, New Delhi-110001 Tel: +91-11-2371-1599 E mail: iob0531@iob.in Website: www.iob.in Contact Person: P S Lamba	**Canara Bank** Address: Cunningham Road Branch, Cunningham Road, Bangalore - 560052 Tel: +91-80-2226-5312 E mail: cb0431@canarabank.com Website: www.canarabank.com Contact Person: Branch Manager
IndusInd Bank Limited Address: 3A, Upper Wood Street Branch, Savitri Towers, Kolkata - 700017 Tel: +91-33-4426-4000/4426-4049 E mail: sumon.bose@indusind.com Website: www.indusind.com Contact Person: Sumon Bose	**Bank of Baroda** Address: Jeevan Vikash, 30/31-A, Asaf Ali Road, New Delhi-110002 Tel: +91-11-2323-4812 E mail: asafal@bankofbaroda.com Website: www.bankofbaroda.com Contact Person: Kumar Prabhat Ranjan
United Bank of India Address: 225C, Acharya J C Bose Road, Kolkata-700020, West Bengal Tel: +91-33-2287-2850/2280-7271 E mail: bmtvp@unitedbank.co.in Website: www.unitedbankofindia.com Contact Person: Joseph Merwin Faria	**ICICI Bank Limited** Address: Zonal Office, 1st Floor, ICICI Bank House, 3A, Gurusaday Road Tel: +91-33-3324-8851/3324-8861 E mail: Samir.juthani@icicibank.com/ sundip.more@icicibank.com Website: www.icicibank.com Contact Person: Samir Juthani/ Sundip More

IPO GRADING

No credit rating agency, registered with SEBI has been appointed in respect of obtaining grading for this Offer.

CREDIT RATING

As this is an Offer of Equity Shares, the requirement of credit rating is not applicable.

GREEN SHOE OPTION

No green shoe option is applicable for the Offer.

EXPERTS

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

Our Company has received written consent from the Statutory Auditor, namely, D.K Chhajer & Co.to include their name as an "expert" as required under Section 26 of the Companies Act, 2013 read with the SEBI ICDR Regulations and as defined under Section 2(38) of the Companies Act, 2013, in respect of the examination report of the Statutory Auditor on the Restated Financial Statements, dated January 11, 2019 and the statement of special tax benefits dated January 29, 2019, included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

TRUSTEES

As the Offered Shares in this Offer for Sale is of Equity Shares, the appointment of trustees is not applicable.

APPRAISING ENTITY

As this is an Offer for Sale, our Company will not receive any proceeds from this Offer. Accordingly, no appraising entity is appointed for this Offer.

MONITORING AGENCY

As this is an Offer for Sale, our Company will not receive any proceeds from this Offer. Accordingly, no monitoring agency is appointed for this Offer.

INTER-SE ALLOCATION OF RESPONSIBILITIES

The following table sets forth the responsibilities for the Book Running Lead Manager in relation to the Offer:

Sr. No.	Activity
1.	Capital structuring with relative components and formalities such as type of instruments, etc., positioning strategy and due diligence of our Company including its operations/management/business plans/legal. Drafting and design of the Draft Red Herring Prospectus, this Red Herring Prospectus, Prospectus. The BRLM shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and filing with the RoC.
2.	Drafting and approval of all statutory advertisementand application forms and abridged prospectus, and of the advertisement of publicity material including newspaper advertisements.
3.	Assisting in selection of Intermediaries - Registrar to this Offer, Advertising Agency, Bankers to the Offer including coordinating all agreements to be entered with such parties. Appointment of Printer.
4.	Domestic and International Institutional marketing of this Offer, which will cover, inter alia: • Formulating marketing strategy; • Finalizing the list of investors for one-to-one meetings; and • Finalizing road shows and investor meeting schedule.
5.	Non-institutional and Retail marketing of this Offer which will cover, inter alia, • Finalising media, marketing and public relations strategy; • Finalising centres for holding conferences for media, brokers, investors, etc.; • Follow-up on distribution of publicity and Offer material including form, the Prospectus and deciding on the quantum of this Offer material; and • Finalising Syndicate ASBA collection centres.
6.	Coordination with Stock-Exchanges for book building software, bidding terminals, mock trading and payment of 1% security deposit.
7.	Managing the book and finalization of Offer Price in consultation with our Company and the Selling Shareholder.
8.	• Post-offer activities, including essential follow-up with bankers to the offer and self certified syndicate banks to get quick estimates of subscription and advising the offer about the closure of the offer, finalisation of the basis of allotment after weeding out multiple applications, listing of instruments, demat credit and refunds/unblocking and co-ordination with various agencies connected with the post-offer activity such as registrars to the offer, bankers to the offer, self certified syndicate banks and underwriters. • Payment of applicable STT on the sale of unlisted Equity Shares by the Selling Shareholder under this Offer for Sale included in this Offer to the Government and filing of the STT return by the prescribed due date as per Chapter VII of the Finance (no. 2) Act, 2004.

FILING

A copy of the Draft Red Herring Prospectus has been filed with SEBI at Eastern Regional Office, L&T Chambers, 3rd Floor, 16 Camac Street, Kolkata - 700017, West Bengal, India and electronically on the platform provided by SEBI.

A copy of this Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act, 2013 would registered with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be registered with RoC at its office situated at Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4, A.J.C.B. Road, Kolkata – 700020, West Bengal, India.

BOOK BUILDING PROCESS

Book building, in the context of this Offer, refers to the process of collection of Bids from Bidders on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the revision forms within the Price Band. The Price Band, minimum Bid lot size, rupee amount of the Retail Discount and the Employee Discount, as applicable will be decided by our Company and the Selling Shareholder, in consultation with the BRLM, and which shall be notified in all editions of English national daily newspaper, Financial Express, all editions of Hindi national daily newspaper, Jansatta and Kolkata edition of Bengali daily newspaper, Arthik Lipi, (Bengali being the regional language of West Bengal, where our Registered Office is located) each with wide circulation at least two (2) Working Days prior to the Bid/ Offer Opening Date.

All potential Bidders shall can participate in this Offer mandatorily through the ASBA process by providing the details of their respective bank accounts including the bank account linked with the UPI ID, in which the corresponding Bid Amount will be blocked by the SCSBs. Pursuant to the November 2018 Circular, the RIB may also participate in this Offer through UPI in the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs Bidders Bidding in the QIB Portion and Non-Institutional Bidders Bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion can revise their Bids during the Bid/ Offer Period and/or withdraw their Bids until the Bid/ Offer Closing Date. Further, allocation to QIBs in the QIB Portion will be on a proportionate basis. By submitting a Bid, each Bidder will be deemed to have acknowledged the above restrictions and the terms of the Offer. For further details, refer to the section titled "*Offer Structure*" and "*Offer Procedure*" on pages 283 and 286 respectively, of this Red Herring Prospectus.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. The Selling Shareholder has specifically confirmed that they will comply with the SEBI ICDR Regulations and any other directions issued by SEBI, as applicable in relation to the Offered Shares.

The process of Book Building is in accordance with guidelines, rules and regulations prescribed by SEBI under the SEBI ICDR Regulations and the Bidding Processes are subject to change from time to time Investors are advised to make their own judgment about investment through this process prior to submitting a Bid in this Offer.

Notwithstanding the foregoing, Bidders should note that this Offer is also subject to obtaining (i) the final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

For further details on the method and procedure for Bidding, refer to the section titled "*Offer Structure*" and "*Offer Procedure*" on pages 283 and 286 respectively, of this Red Herring Prospectus.

Illustration of Book Building Process and the Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, refer to the section titled "*Offer Procedure*" on page 286 of this Red Herring Prospectus.

UNDERWRITING AGREEMENT

After the determination of the Offer Price and allocation of the Offered Shares, but prior to the filing of the

Prospectus with the RoC, our Company and the Selling Shareholder intend to enter into an Underwriting Agreement with the Underwriters for the Offered Shares proposed to be offered through this Offer. The underwriting shall be to the extent of the Bids uploaded, subject to Regulation 40 of the SEBI ICDR Regulations. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters will be several and will be subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

Name, address, telephone and email of the Underwriters	**Indicated number of Equity Shares to be Underwritten**	**Amount Underwritten** ***(₹ in million)***
[●]	[●]	[●]
[●]	[●]	[●]
Total	[●]	[●]

This portion has been intentionally left blank and will be filed in before filing of the Prospectus with the RoC.

The above-mentioned underwriting commitments are indicative and will be finalized after pricing of the Offer and actual allocation in accordance with provisions of the SEBI ICDR Regulations.

In the opinion of our Board of Directors and the Selling Shareholder (based on a certificate given by the Underwriters), the resources of the abovementioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board of Directors or a committee thereof, at its meeting, held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall only be responsible for ensuring payment with respect to the Offered Shares allocated to the Bidders procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Offered Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Red Herring Prospectus and will be executed after the determination of the Offer Price, but prior to the filing of the Prospectus with the RoC. Details of the final underwriting arrangement indicating actual number of Equity Shares underwritten, to be provided in the Prospectus before it is registered with the RoC.

CAPITAL STRUCTURE

The share capital of our Company as on the date of this Red Herring Prospectus is set forth below:

(in ₹, except share data)

		Aggregate nominal value at the face value	Aggregate value at Offer Price#
A.	**AUTHORISED SHARE CAPITAL**		
	150,000,000 Equity Shares	1,500,000,000	-
B.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THIS OFFER**		
	70,400,000 Equity Shares	704,000,000	-
C.	**PRESENT OFFER IN TERMS OF THIS RED HERRING PROSPECTUS**		
	Which consists of:		
	Offer for Sale of upto 17,670,400 Equity Shares by the Selling Shareholder:	176,704,000	[●]
Which includes:			
	Employee Reservation Portion up to 70,400 Equity Shares	704,000	[●]
Net Offer consists of 17,600,000 Equity Shares		176,000,000	[●]
D.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THIS OFFER**		
	70,400,000 Equity Shares	704,000,000	
E.	**SECURITIES PREMIUM ACCOUNT**		
	Before and after the Offer	Nil	

 # To be updated upon finalization of the Offer Price.

The Selling Shareholder confirms that the Offered Shares have been held by the Selling Shareholder for a period of at least one (1) year prior to filing of the Draft Red Herring Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations and accordingly, are eligible for the Offer in accordance with the provisions of the SEBI ICDR Regulations. For details of the authorization of the Selling Shareholder in relation to the Offer, please refer to the section titled "The Offer" on page 46 of this Red Herring Prospectus.

Our Board of Directors has approved this Offer pursuant to a resolution passed at their meeting held on January 11, 2019. The President of India, acting through the Ministry of Steel, GoI has approved the Net Offer vide its letter bearing file number D.O. No. 3(1)/2010-MF (Part) dated January 30, 2019. The President of India, acting through the Ministry of Steel, GoI has approved the Employee Reservation Portion vide its letter bearing file number F. No. 3(1)/2010-MF (Part) dated March 6, 2019.

In the event the Equity shares offered to our Employees under the Employee Reservation Portion, are not fully subscribed, the remaining unsubscribed portion of the Equity shares shall be offered to the public. Our Company and the Selling Shareholder, in consultation with the BRLM, will offer a discount of ₹ [●] per Equity Share on this Offer Price to the Retail Individual Bidders and a discount of ₹ [●] per Equity Share on this Offer Price to the Eligible Employees bidding under the Employee Reservation Portion respectively. The amount of Retail Discount and Employee Discount, as applicable, will be advertised in all newspapers wherein the Pre-Offer Advertisement will be published. For further details, please refer to the section titled "Offer Procedure" on page 286 of this Red Herring Prospectus.

Since this Offer is in the nature of an Offer for Sale, there will not be any change in the paid-up capital and subscribed capital of our Company after this Offer.

Notes to the Capital Structure:

1. Share Capital History

History of Equity Share capital of our Company:

The following table sets forth the history of the Equity Share capital of our Company:

Date of Allotment*	Number of Equity Shares	Face Value (in ₹)	Issue Price per Equity Share (in ₹)	Form of Consideration ***	Nature of Transaction and Name of the Allottee	Cumulative Number of Equity Shares
September 9, 1964#	350**	100	100	Cash	Initial subscription to the MoA(1)	350
February 18, 1965#	8,700**	100	100	Cash	Further Allotment(2)	9,050
June 4, 1965#	12,900**	100	100	Cash	Further Allotment(3)	21,950
August 9, 1965#	500**	100	100	Cash	Further Allotment(4)	22,450
January 28, 1966#	500**	100	100	Cash	Further Allotment (5)	22,950
March 2, 1966#	600**	100	100	Cash	Further Allotment(6)	23,550
June 4, 1966#	450**	100	100	Cash	Further Allotment (7)	24,000
February 24, 1973#	56,000**	100	100	Cash	Further Allotment (8)	80,000
March 31, 1986#	30,000	100	100	Cash	Further Allotment (9)	110,000
January 27, 1992	-	10	-	Sub-division of Equity Shares from the face value of ₹ 100 each to ₹ 10 each	-	1,100,000
February 2, 1994	1,100,000	10	NA	NA	Bonus issue in the ratio of 1:1(10)	2,200,000
September 26, 2012	6,600,000	10	NA	NA	Bonus issue in the ratio of 3:1 (11)	8,800,000
July 22, 2016	8,800,000	10	NA	NA	Bonus issue in the ratio of 1:1 (12)	17,600,000
May 19, 2017	17,600,000	10	NA	NA	Bonus issue in the ratio of 1:1 (13)	35,200,000
January 11, 2019	35,200,000##	10	NA	NA	Bonus issue in the ratio of 1:1 (14)	70,400,000

**There are certain cases wherein the date of allotment mentioned in the Board Resolution does not match with the date mentioned in the Register of Applications and Allotments. For further information, please refer to risk factor "Certain corporate and secretarial records of our Company are not traceable and some of our corporate records contain discrepancies" under section titled 'Risk Factors' on page 31 of this Red Herring Prospectus.*

***Our Company allotted shares of ₹ 100 per Equity Share at the price of ₹ 25 per Equity Share as application money and the balance money was to be paid in three tranches. Thereafter, our Company made the 1st call, 2nd call and final call on the Equity Shares to pay the unpaid amount vide board resolutions dated June 11, 1979, June 29, 1981 and February 9, 1983 respectively. Further, as per the details provided in the minutes of the meeting of the Board of Directors and/or financial statements, as the case may be, our Company has forfeited (a) 3,475 Equity Shares vide board resolution dated June 17, 1980 for the non payment of the first call money; (b) 245 Equity Shares vide passing board resolution dated May 21, 1982 for the non payment of the second call money; and (c) 480 Equity Shares vide board resolution dated August 19, 1983 for the non payment of the final call money. However, our Company had later revived, transferred or re-issued all such forfeited shares including to our Promoter on the payment of the balance unpaid call money.*

**** The call money for certain Equity Shares held by SAIL were paid by conversion of loan into equity.*

#We have placed reliance on the disclosures made in the Board minutes and/or the Applications and Allotments and/or financial statements, to ascertain the details of the issue of Equity Shares, the nature of allotment and the nature of consideration since the Form 2 for the relevant allotments are neither available in the records of our Company nor are they available in the records of the RoC, as certified by Saumayo Jyoti Seal, Company Secretary, in the search report dated January 28, 2019. For further information, please refer to risk factor "Certain corporate and secretarial records of our Company are not traceable and some of our corporate records contain discrepancies" under section titled 'Risk Factors' on page 31 of this Red Herring Prospectus.

Pursuant to shareholders resolution dated December 26, 2018, certain Equity Shares of our Company which were allotted pursuant to the bonus issue on January 11, 2019, will not be credited in the name of shareholders who are holding Equity Shares in the physical form until such Equity Shares held by them are dematerialized. For further information, please refer to

risk factor "Certain corporate and secretarial records of our Company are not traceable and some of our corporate records contain discrepancies" under section titled 'Risk Factors' on page 31 of this Red Herring Prospectus.

[(1)] Initial allotment of 50 Equity Shares was made to S. A. Nathani, A. M. Elijah, S. C. Laul, Viren J. Shah, N. S. Gilani, O. P. Tantia and Minerals & Metals Trading Corporation of India Limited as pursuant to the subscription of the MoA.

[(2)] Allotment of 50 Equity Shares to Mahendra Singh, 50 Equity Shares to Niranjanlal Chotalal Shantilal Deliwala, 50 Equity Shares to Sheikh Mohammad Bashin, 50 Equity Shares to Shantilal Purushottam Udani, 250 Equity Shares to Globe Motors Ltd., 700 Equity Shares to Kumar Dhubi, 50 Equity Shares to Sakthi Pipes Ltd., 750 Equity Shares to Textile Machinery Corporation Ltd., 700 Equity Shares to Mukand Iron and Steel Works Ltd., 750 Equity Shares to The Britannia Engineering Co. Ltd., 400 Equity Shares to Howrah Iron and Steel Works Private Ltd., 100 Equity Shares to Hardeo Kantirai Nanavati, 100 Equity Shares to Prem Chandra Sharma and Ram Chandra Sharma, 100 Equity Shares to Detinners Private Ltd., 100 Equity Shares to V.D. Swami and Company Private Ltd., 100 Equity Shares to Montana Private. Ltd., 100 Equity Shares to Commercial Mines and Industries Private Ltd., 100 Equity Shares to Bharat Barrel and Drum Manufacturing Co. Private Ltd., 100 Equity Shares to Malhotra Export House Private Ltd., 100 Equity Shares to Sultan Alladin Nathani, H.G.Chinoy, 100 Equity Shares to Balgopaldas Iron and Steel Co. Private Ltd., 100 Equity Shares to Baleshwardas Loiwal, 100 Equity Shares to Mahendra Singh, 100 Equity Shares to Narendra Singh Hargopal Singh. 100 Equity Shares to Sohanlal Taparia, 100 Equity Shares to Shivecharan Laul, 100 Equity Shares to Dharambir Hansraj Aggarwal, 100 Equity Shares to Shantilala Purushottam Udani, 100 Equity Shares to Sharaf Ali Saifuddin SK, 100 Equity Shares to Indian Steel Industries Private Ltd., 100 Equity Shares to Iron and Metal Traders Private. Ltd., 100 Equity Shares to Yudhisthirlall Agarwalla, 100 Equity Shares to Peshotan Ardeshin Malekout, 100 Equity Shares to Somchand Bhogilal Parikh and Nalikant Somchand Parikh, 100 Equity Shares to Ramgopal Garodia, 100 Equity Shares to Salim Humza Futehally and Munira S. Futehally, 100 Equity Shares to Tayeb Ali Abdeali M, 100 Equity Shares to Shaikh Mohamad Naqi, 100 Equity Shares to Tajbhog Alibhoy Vahanvaty, 100 Equity Shares to Humayun Abdulali, 100 Equity Shares to Sadieote Zainuddin Kamruddin and Sadieote Gulshan Zainuddin, 100 Equity Shares to Makane Sultan Ratansi, 100 Equity Shares to Shamim Gulam Mohammed Shujatali, 100 Equity Shares to Mangaonkar Krishanji Narayan, 100 Equity Shares to Alibhai Rajabali Lovji, 100 Equity Shares to Champaklal Jivraj Mehta and Nagin Jayantilal Mehta, 100 Equity Shares to Lokhandwalla Husainbhai, Taiyebali, 100 Equity Shares to B.R. Herman and Mohatta (India) Private. Ltd., 100 Equity Shares to Virbhadra Bhagappa Gulve, 100 Equity Shares to Gulve Virbhadra Bhagappa, 100 Equity Shares to Ved Prakash and Jagat Prakash and Jai Prakash, 100 Equity Shares to Shantilal Chhotalal Deliwala, 100 Equity Shares to Mahendra Kantilal Deliwala, 100 Equity Shares to Niranjan Chhotalal Deliwala, 100 Equity Shares to Yusufalli M. Tayeballi and Najmuddin M. Abdulhusain and Mansurbhai M Akbaralli, 100 Equity Shares to Taida Trading and Industries Private. Ltd., 100 no. of Equity Shares to Zainuddin M. Akbaralli, 100 Equity Shares to Bagasrawala Taherbhai Khanbhai, 100 Equity Shares to Paymaster Bipin Bachubhai, 100 Equity Shares to Shah Vrajlal Ratilal.

[(3)] Allotment of 750 Equity Shares to Gayadin Ram, S.P. Jaiswal, K.K. Jaiswal, D.K. Jaiswal, R.K. Jaiswal, 100 Equity Shares to Gandhi Ratilal Chhaganlal, Dhanalaxmi Ratilal Gandhi, 100 Equity Shares to Pitamberdas Haridas Tanna, Laxmidas Haridas Tanna, 100 Equity Shares to Shareef Ahmed Moloobhog and Sultan Ahmed Moloobhog and Mohomed Ahmed Moloobhog, 100 Equity Shares to Sheikh Peer Mohamed Nathubhai, 100 Equity Shares to Mohmedali Kamruddin Bharmal and Taherali Mamuji, 100 Equity Shares to. Akberally Noorbhai Lokhandwalla and Farrokh Shawaksha Jussawalla and Fidahusein Sulemanji and Dawoodbhai Mohmedali Lodhgan, 100 Equity Shares to Hudda Abdul Nazerali, 100 Equity Shares to Parekh Mansukhlal Khimchand, 100 Equity Shares to Champaklal Chunilal Dadbhawala, Kishore Kumar Champaklal Dadbhawala, 100 Equity Shares to RajKumar, 100 Equity Shares to Namraj Agarwal, 100 Equity Shares to Mohomadali R. Jamani, 100 Equity Shares to Bholanath Agarwal, 100 Equity Shares to Taherbhai Esmailji amd Hatim Tayebali, 100 Equity Shares to Aseharj Lal Sakhuja, 100 Equity Shares to Chaituram B. Gupta, 30 Equity Shares to Yudhisthirlall Agarwalla, 30 Equity Shares to Ram Gopal Garodia, 30 Equity Shares to Shive Chran Laul, 700 Equity Shares to Bhartia Electric Steel Co. Ltd., 250 of Equity Shares to The Canara Workshops Ltd., 100 Equity Shares to Nirmal Kumar Banerjee, 30 Equity Shares to Indian Steel Industries Private Ltd., 30 Equity Shares to Bharat Barrel and Drum Manufacturing Co. Private Ltd, 30 Equity Shares to Shaikh Mohamed Naqi, 30 Equity Shares to Detinners Private. Ltd, 30 Equity Shares to Sultan Alladin Nathani and Habib Gulam Husein Chinoy, 30 Equity Shares to Vrajlal Ratilal Shah, 30 Equity Shares to Mohomadali Rupsi Jamani, 30 Equity Shares to Mansukhlal Khimchand Parekh, 30 Equity Shares to Bipin Bachubhai Paymaster, 30 Equity Shares to Abdul Nazarali Hudda, 30 Equity Shares to Prem Chandra Sharma and Ram Chandra Sharma, 30 Equity Shares to Rajkumar, 30 Equity Shares to Montana Private Ltd., 30 Equity Shares to Narendra Singh Hargopal Singh, Balbir Singh Hargopal Singh, 30 Equity Shares to Mahendra Singh, 30 Equity Shares to M. Yusufalli M. Tayeballi and Najmuddin M. Abdulhusain and Mansurbhai M. Akbarali, 30 Equity Shares to Zainuddin M. Akbaralli, 30 Equity Shares to Taida Trading and Industries Private Ltd., 30 Equity Shares to Somchand Bhogilal Parikh and Nalinkant Somchand Parikh, 30 Equity Shares to Aseharj LalSakhuja, 30 Equity Shares to Hardeo Kantirai Nanavati, 30 Equity Shares to Mam Raj Agarwal, 45 Equity Shares toMahendra Kantilal Deliwala, 45 Equity Shares to Shantilal Chhotalal Deliwala, 30 Equity Shares to M. Yusufalli M. Tayeballi and Vira Bhagappa Gulve, 30 Equity Shares to Virbhadra Bhogappa Gulve, 1 Equity Share to Maheshwar Prasad, 1 Equity Share to K. Rajagopalan, 1 Equity Share to Dr.Anand Swarup Sharma, 1 Equity Share to Jiwan Singh, 1 Equity Share to Ajudhia Nath Kaul, 1 Equity Share to Kurishinkal Jacob Cleetur, 7944 Equity Shares to The Minerals and Metals Trading Corporation of India Ltd., 100 Equity Shares to M. Yusufalli M. Tayeballi and Vira Bhagappa Gulve, 100 Equity Shares to Bhagwantrai Brijlal Jindal, 400 Equity Shares to Shakhti Pipes Ltd., 50 Equity Shares to Shri D. Srinivasan.

[(4)] Allotment of 500 Equity Shares to Mysore Iron & Steel Limited.

[(5)] Allotment of 500 Equity Shares to Mysore Iron & Steel Limited.

(6) *Allotment of 600 Equity Shares to Juggilal Kamlapat Iron & Steel Company Limited.*

(7) *Allotment of 50 Equity Shares to Himmat Steel Foundry Private. Ltd., 50 Equity Shares to Electrosteel Castings Ltd., 50 Equity Shares to The National Iron and Steel Co. Ltd., 250 Equity Shares to Tata Engineering and Locomotive Co. Ltd., 50 Equity Shares to the Singh Engineering Works Private Ltd.*

(8) *Allotment of 56,000 Equity Shares to our Promoter.*

(9) *Allotment of 30,000 Equity Shares to our Promoter.*

(10) *Allotment of 1,000 Equity Shares to Dharambir Hansraj Agarwal, 100 Equity Shares to Narinder Agarwal, 1,300 Equity Shares to Zainuddin M Akbaralli, 1,000 Equity Shares to B.R. Herman & Mohatta (I) Private. Ltd., 1,000 Equity Shares to Taherbhai Khanbhai Bagasrawala, 50 Equity Shares to Satya Paul Bahl, 1,300 Equity Shares to Bharat Barrel & Drum Mfg. Company Private Ltd., 500 Equity Shares to Batul Abbas Bhatia, 50 Equity Shares to Indra Chand Bothra, 2,500 Equity Shares to Canara Workshops Ltd., 500 Equity Shares to Madan Gopal Damani and Krishna Gopal Damani, 500 Equity Shares to Madan Gopal Damani and Krishna Kumar Damani, 1,450 Equity Shares to Mahendra Kantilal Deliwala and Jayshree Mahendra Deliwala, 1,450 Equity Shares to Shantilal Chhotalal Deliwala, 1,300 Equity Shares to Detinners Pvt. Ltd., 500 Equity Shares to Electrosteel Casting Ltd., 1,000 Equity Shares to Teherbhai Esmailji and Hatin Taherbhai, 300 Equity Shares to Ferro Scrap & Casting (I) Private Ltd., 1,000 Ratilal Chhaganlal Gandhi and Dhanalaxmi Ratilal Gandhi, 1,300 Equity Shares to Ramgopal Garodia, 1,800 Equity Shares to Grand Smithy Works Private Ltd., 1,000 Equity Shares to Chaituram B Gupta, 500 Equity Shares to Himmat Steel Foundry, 6,000 Equity Shares to J.K. Traders Ltd., 500 Equity Shares to Darshan Lal Jaggi, 1,000 Equity Shares to Vijayendra Kr. Jain, 900 Equity Shares to Purushottam Lal Jalan, 10 Equity Shares to Om Prakash Jhunjhunwala, 1,000 Equity Shares to Bhagwantrai Brijlal Jindal, 2,000 Equity Shares to John Patterson & Co. (I) Ltd., 500 Equity Shares to Ashok Kumar Khaitan, 500 Equity Shares to Gajanand Khaitan, 2,000 Equity Shares to Sharad Kumar Khaitan and Medhavini Khaitan, 1,500 Equity Shares to Shreelekha H. Khot, 950 Equity Shares to Narayan Dev Kunder, 500 Equity Shares to Zehrabai T. Lanewala, 1,000 Equity Shares to Baleshwardas Loiwal, 1,000 Equity Shares to Sakkar S. Makaney, 1,000 Equity Shares to Malhotra International Ltd., 50 Equity Shares to Krishnaji Narayan Mangaonkar, 1,000 Equity Shares to Pravin Champaklal Mehta and Vatsala Pravin Mehta, 1,000 Equity Shares to Adil Shareef Moloobhoy, 1,300 Equity Shares to Montana Pvt. Ltd., 7,450 Equity Shares to Mukund Limited, 300 Equity Shares to Tushar H. Nanavati, 2,300 Equity Shares to Saida Ikbal Nathani, 1,800 Equity Shares to Nathani Steel Limited, 1,000 Equity Shares to Hemaxi Nanavati, 1,300 Equity Shares to Nalin Somchand Parikh, 1,300 Equity Shares to Bipin BachubhaiPaymaster, 9,88,260 Equity Shares to President of India, 1,300 Equity Shares to Rajkumar, 50 Equity Shares to Janak Raj Sabherwal, 50 Equity Shares to Kishore Kr. Sabherwal, 850 Equity Shares to Sukhdeve Raj Sabherwal, 1,000 Equity Shares to Zainuddin Kamruddin Sadicote, 1,300 Equity Shares to Ascharjlal Sakhuja, 10 Equity Shares to K.N. Sanyal, 100 Equity Shares to Bani Sen, 300 Equity Shares to Santosh Kr. Sen, 100 Equity Shares to Subrata Sen, 1,300 Equity Shares to Bharat Vrajlal Shah and Maya Bharat Shah, 1,000 Equity Shares to Usmangani Peermohamed Sheikh, 1,000 Equity Shares to Saifuddin Shaikh Sharafali, 1,000 Equity Shares to Pradip Kr. Sharma, 200 Equity Shares to Gian Chand Singal, 150 Equity Shares to Arabindra Singh, 300 Equity Shares to Birendra Singh, 500 Equity Shares to Singh Engineering Works Private Ltd., 300 Equity Shares to Ganga Devi Singh, 150 Equity Shares to Jitendra Singh, 1,800 Equity Shares to Mahendra Singh, 150 Equity Shares to Narendra Singh, 1,000 Equity Shares to Narendra Singh Hargopal Singh, 300 Equity Shares to Narendra Singh H Singh and Balbir Singh H Singh, 150 Equity Shares to Rabindra Singh, 150 Equity Shares to Rajendra Singh, 150 Equity Shares to Upendra Singh, 100 Equity Shares to Vijay Shankar Surekha, 2,000 Equity Shares to Kalpana Sharma, 1,500 Equity Shares to Rajeev Sharma, 1,500 Equity Shares to Sanjeev Sharma, 10 Equity Shares to S.K. Sinha, 1,000 Equity Shares to Yusufali Taherali, 1,300 Equity Shares to Taida Trading & Industry Private Ltd., 1,000 Equity Shares to Kedarnath Jyotiram Tandon, 1,000 Equity Shares to Sohanlal Taparia, 2,500 Equity Shares to Tata Engineering and Locomotive Company Ltd., 1,300 Equity Shares to M Yusufalli M Tayaballi, 1,300 Equity Shares to M Yusufalli M Tayaballi, 7,490 Equity Shares to Texmaco Limited, 2,500 Equity Shares to Anasuya Udani, 1,000 Equity Shares to V.D. Swami & Co. Ltd., 1,000 Equity Shares to Zarina T. Vahanvaty, 10 Equity Shares to S.M. Venkatraman, 10,000 Equity Shares to Visveswarya Iron & Steel Ltd., 10 Equity Shares to M. Vijayan.*

(11) *Allotment of 6,000 Equity Shares to Dharambir Hansraj Aggarwal, 1,425 Equity Shares to A3 Capital services, 150 Equity Shares to Jitendra Agarwal, 2,400 Equity Shares to Pankaj Aggarwal, 300 Equity Shares to Alka Infrastructure Pvt. Ltd., 300 Equity Shares to Neetu Ajay Agrawal, 75 Equity Shares to Ankita Jain, 300 Equity Shares to Aayushi Khandelwal, 300 Equity Shares to Jitendra Agarwal, 6,000 Equity Shares to B.R. Hehman & Mohatta (I) Private Ltd., 1,500 Equity Shares to Hoded Abbas Bhatia, 300 Equity Shares to Varsha Bahl, 300 Equity Shares to Zuzer Mohamedhusain Bahrainwala, 150 Equity Shares to Subray P. Bhat, 75 Equity Shares to Rajendra R. Bandekar, 75 Equity Shares to Prakash Kumar Baglodi, 300 Equity Shares to Nirmala Parasmal Bhandari, 75 Equity Shares to Saroj Devi Bhansaly, 300 Equity Shares to Shruti Sunil Baliga, 15,000 Equity Shares to Canara Workshops Ltd., 450 Equity Shares to Sunil Chandak, 300 Equity Shares to Banajir Ahmed Chunawala, 300 Equity Shares to Gita Chandak, 300 Equity Shares to Arun Kumar Chandak, 300 Equity Shares to Anadya Chhaparia, 300 Equity Shares to Krishna Kumar Chhaparia, 6,000 Equity Shares to Mayanc Damani, 8,700 Equity Shares to Mahendra Kantilal Deliwala, 8,700 Equity Shares to Shantilal Chhotalal Deliwala, 7,800 Equity Shares to Detinners Pvt. Ltd., 3,900 Equity Shares to Shabbir Zoebbhai Dahodwala, 5,850 Equity Shares to Hakimuddin Sarafali Dohadwala, 375 Equity Shares to Zala Bhimsinh Dhiraji, 75 Equity Shares to Chirag H. Dixit, 600 Equity Shares to Govind Lal Daga, 300 Equity Shares to Mukesh Damani, 300 Equity Shares to Udit Dugar, 300 Equity Shares to Vinod Santoshkumar Dhankani, 300 Equity Shares to Mahesh Kumar Damani, 3,000 Equity Shares to Electrosteel Casting Ltd., 75 Equity Shares to Pradeep Krishna Ellankar, 7,800 Equity Shares to Ramgopal Garodia, 6,000 Equity Shares to Chaituram B. Gupta, 2,700 Equity Shares to Satya Brata Ghosh, 6,000 Equity Shares to Nutan Pradip Gandhi, 1,800 Equity Shares to Sunil Kumar Gupta, 300 Equity Shares to Pawan Kumar Gupta, 525 Equity Shares to Rashmi Goyal, 900 Equity Shares to Bakul Shivlal Ghandhi, 900 Equity Shares to Surendra Jagdishlal Gandhi, 75 Equity Shares to Sanjay Amratlal Gandhi, 600*

Equity Shares to Ushaben J. Gandhi, 1,200 Equity Shares to Pawan Garg, 1050 Equity Shares to GCB Finvest Pvt. Ltd., 900 Equity Shares to Rajendra Kumar Gupta, 600 Equity Shares to Kumkum Gupta, 600 Equity Shares to Prabodh Gupta, 300 Equity Shares to Anjali Ghorpade, 3,000 Equity Shares to Himmat Steel Foundary Ltd., 150 Equity Shares to Amit G. Hemani, 300 Equity Shares to Shah Bharat Hiralal, 75 Equity Shares to Kamlakar Ishwar Hedge, 75 Equity Shares to Prabhakar Shripal Hedge, 75 Equity Shares to Nagraj Santaram Hegde, 75 Equity Shares to Prakash Chand Hingar, 36,000 Equity Shares to J.K. Traders Ltd., 3,000 Equity Shares to Darshan Lal Jaggi, 6,000 Equity Shares to Vijayendra Kumar Jain, 6,000 Equity Shares to Bhagwantrai Brijlal Jindal, 7,800 Equity Shares to Moiz K. Jiruwala, 300 Equity Shares to Raj Kumar Jajoo, 900 Equity Shares to Nawal Kishore Jalan, 300 Equity Shares to Mahendra Kumar Jhunjhunwala, 300 Equity Shares to Sudhakar Gopalrao Jumale, 600 Equity Shares to Manish P. Jain, 300 Equity Shares to Sushma Jain, 600 Equity Shares to Rahul Jain, 300 Equity Shares to Dilip Jain, 300 Equity Shares to Sajjan Kumar Jhunjhunwala (HUF), 75 Equity Shares to Chandra Kumar Jain (HUF), 75 Equity Shares to Arkin Jain (Minor), 75 Equity Shares to Shaivali Maulik Joshi, 3,000 Equity Shares to Ashok Kumar Khaitan, 9,000 Equity Shares to Shreelekha Harish Khot, 5,700 Equity Shares to Narayan Dev Kunder, 12,000 Equity Shares to Mukund Khaitan, 6,000 Equity Shares to Mustan Taherbhai Khanbhai, 7,500 Equity Shares to Kamesh Kumar Khaitan, 300 Equity Shares to Mamillapalli Arun Kiran, 1,500 Equity Shares to Ramesh Chandra Kavedia, 4,200 Equity Shares to P.C.G. Asok Kumar, 300 Equity Shares to Keventor Leather Pvt. Ltd., 11,700 Equity Shares to G. Kumaresan, 300 Equity Shares to Piyush Kheria, 75 Equity Shares to Jaushree M. Kapadia, 300 Equity Shares to Renukaben Nareshkumar Khatri, 75 Equity Shares to Jayshreeben Mahendrabhai Kapadia, 75 Equity Shares to Jaikumar Krishnan, 75 Equity Shares to Kirti Jhunjhunwala, 75 Equity Shares to Anand Kumar Kathotia, 300 Equity Shares to Nirmal Kumar Pradeep Kumar (HUF), 300 Equity Shares to Yogita Mayur Kulkarni, 300 Equity Shares to Vilas L Kamble (HUF), 6,000 Equity Shares to Sanjay Kumar Loiwal, 300 Equity Shares to Lotus Global Equities Pvt. Ltd., 600 Equity Shares to Shrikrishna Vasudeo Lotlikar, 6,000 Equity Shares to Sakkar S. Makaney, 6,000 Equity Shares to Malhotra International Pvt. Ltd., 300 Equity Shares to Krishanji Narayan Mangaonkar, 6,000 Equity Shares to Pravin Champaklal Mehta, 6,000 Equity Shares to Adil Shareef Moloobhoy, 7,800 Equity Shares to Montana Pvt. Ltd., 3,000 Equity Shares to Mrs. Amina Khozem Milwala, 300 Equity Shares to Saroj D. Mehta, 300 Equity Shares to Dilip S. Mehta, 300 Equity Shares to Deepali D. Mehta, 300 Equity Shares to Kamal Kishore Mimani, 300 Equity Shares to Bipin Amratlal Modi, 300 Equity Shares to Vipul Chand Mehta, 300 Equity Shares to M/s Mukund Capital, 300 Equity Shares to Urmil Chandragupta Mehta, 600 Equity Shares to Krishna Mandhana, 75 Equity Shares to Hitesh Narendrabhai Mehta, 75 Equity Shares to Jayshree Ajay Mehta, 600 Equity Shares to Nand Kishore Mohta, 75 Equity Shares to Mihir J Mali, 300 Equity Shares to Gaurav Mimani, 1,800 Equity Shares to Tushar H. Nanavati, 13,800 Equity Shares to Saida Ikbal Nathani, 6,000 Equity Shares to Hemaxi Nanavati, 3,600 Equity Shares to Arif Sultan Nathani, 1,800 Equity Shares to Rahat A. Nathani, 1,800 Equity Shares to Saheen A. Nathani, 150 Equity Shares to Naresh Hiralal Shah, 75 Equity Shares to Nandini Jain (Minor), 300 Equity Shares to Nirej V. Paul, 75 Equity Shares to Narayan V Hegde, 1,800 Equity Shares to Vishal Osatwal, 2,100 Equity Shares to Ricky Osatwal, 1,500 Equity Shares to Sanjay Kumar Osatwal, 59,29,800 Equity Shares to President of India, 7,800 Equity Shares to Nalin Somchand Parikh, 7,800 Equity Shares to Vasant Bipin Paymaster, 774 Equity Shares to Rajesh Pannalal Poddar, 300 Equity Shares to Alka Rajesh Poddar, 450 Equity Shares to Rupesh Poddar, 1,800 Equity Shares to Rajendra Prasad Poddar, 1,500 Equity Shares to Ravindra Prasad Poddar, 300 Equity Shares to Kalpesh Jayantibhai Patel, 900 Equity Shares to Anil Kantiprasad Poddar, 300 Equity Shares to Sachin Purshottam Patel, 300 Equity Shares to Shobhana M. Parikh, 300 Equity Shares to Bhavin M. Patel, 300 Equity Shares to Sonal Parasrampuria, 75 Equity Shares to Jagdish Chandra Morarji Patel, 150 Equity Shares to Patel Ambrish Manojbhai, 75 Equity Shares to Mahendra Bhai M. Patel, 300 Equity Shares to Leenaben A. Patel, 900 Equity Shares to Pranay Arunprashad Patel, 300 Equity Shares to Poonam Pranay Patel, 900 Equity Shares to Deval Rahul Patel, 300 Equity Shares to Amit Parasrampuria, 300 Equity Shares to Dhyanesh Bhagubhai Patel, 150 Equity Shares to Kamalakar Devappa Patgar, 300 Equity Shares to Kappatakkamatathil Jacob Poulose, 150 Equity Shares to Pramod Kumar Kothari, 342 Equity Shares to Prakash Chandra Poddar, 384 Equity Shares to Vinod Hiralal Poddar, 300 Equity Shares to Nishant Prabhakar Patil, 300 Equity Shares to Krishna Umesh Pai, 300 Equity Shares to Abhijit Prabhakar Patil, 300 Equity Shares to Madhukar Madhav Pai, 7,800 Equity Shares to Rajkumar, 300 Equity Shares to Punamchand Lalchand Rathod, 300 Equity Shares to Dilip Kumar Rajgarhia and Jtly Ratnabh Rajgarhia and Jtly Amitabh Rajgarhia, 300 Equity Shares to Archana Rathi, 300 Equity Shares to Prakash Rathi, 75 Equity Shares to Induben Ramnbhai Rana, 300 Equity Shares to Rohit Singh, 300 Equity Shares to Kishore Kr. Sabherwal, 5,100 Equity Shares to Sukhdeve Raj Sabherwal, 6,000 Equity Shares to Zainuddin Kamruddin Sandicote, 7,800 Equity Shares to Ascharjlal Sakhuja, 2,100 Equity Shares to Subrata Sen, 7,800 Equity Shares to Bharat Vrajlal Shah, 6,000 Equity Shares to Usmangani Peermohamed Sheikh, 6,000 Equity Shares to Pradip Kr. Sharma, 900 Equity Shares to Arabindra Singh, 1,800 Equity Shares to Birendra Singh, 3,000 Equity Shares to Singh Engineering Works. (P) Ltd., 1,800 Equity Shares to Ganga Devi Singh, 900 Equity Shares to Jitendra Singh, 5,400 Equity Shares to Mahendra Singh, 900 Equity Shares to Narendra Singh, 7,800 Equity Shares to Narendra Singh Hargopal Singh, 900 Equity Shares to Rabindra Singh, 900 Equity Shares to Rajendra Singh, 900 Equity Shares to Upendra Singh, 600 Equity Shares to Vijay Shankar Surekha, 12,000 Equity Shares to Kalpana Sharma, 9,000 Equity Shares to Rajeev Sharma, 9,000 Equity Shares to Sanjeev Sharma, 60,000 Equity Shares to Steel Authority of India Ltd., 300 Equity Shares to Rajan Sabherwal, 300 Equity Shares to Nalini B. Shah, 300 Equity Shares to Chandrika V. Shah, 300 Equity Shares to Satish Singhal, 300 Equity Shares to Shankar Somani, 300 Equity Shares to Sanjay Kumar Singhal, 300 Equity Shares to Hemal Haresh Shah, 300 Equity Shares to Vipin L. Shah, 300 Equity Shares to Ganesh S. Shanbhag (HUF), 300 Equity Shares to Shirish Kumar Jivanlal Shah, 1,500 Equity Shares to Mayuri Hemandra Soni, 300 Equity Shares to Jaymin Jayantilal Surani, 300 Equity Shares to Arun Kumar Singhania (HUF), 600 Equity Shares to Akshat M. Shah, 300 Equity Shares to Gopal Sharma, 300 Equity Shares to Suresh Kumar Sharma, 300 Dinesh Chandra Ambalal Shah, 300 Equity Shares to Ramesh Prafulchandra Shah, 300 Equity Shares to Ramesh Chand Singh, 300 Equity Shares to Anita Singh, 75 Equity Shares to Anupama N. Sonar, 300 Equity Shares to Chinta Devi Singh, 150 Equity Shares to Jayant Kulichandra Soni, 300 Equity Shares to Laxmi Devi Singh, 300 Equity Shares to Santosh Kumar Singh, 300 Equity Shares to Deepa Singh, 300 Equity Shares to Shreekant Sharma, 75 Equity Shares to Shah Lalit Rasiklal, 150 Equity Shares to Sailesh Mahasukhlal Shah, 300 Equity Shares to Sonal Vimal Shah, 600 Equity Shares to Share India Securities Ltd., 300 Equity Shares to Sixth Dimension Infrastructure Ltd., 600 Equity Shares to Neeraja Navneet Shukul, 300 Equity Shares to Shruti Pranav Sharma, 75 Equity Shares to Bhaskar N. Shastri, 75 Equity Shares to Ravi Parameshwar

Shastri, 150 Equity Shares to S. Anuja, 1,500 Equity Shares to Saroj Ganeriwal, 300 Equity Shares to Bharat C Shah, 7,500 Equity Shares to Suchitra Ganesh Shanbhag, 1,200 Equity Shares to Vikram Swarup, 75 Equity Shares to Sujata Sharma, 300 Equity Shares to Kunal Hasmukhlal Shah, 1,200 Equity Shares to Garuav Swarup, 300 Equity Shares to Sangeeta Vengsarkar Shah, 6,000 Equity Shares to Yusufali Taherali, 15,000 Equity Shares to Tata Motors Ltd., 7,800 Equity Shares to M. Yusufalli M. Tayeballi, 45,000 Equity Shares to Texmaco Limited, 3,000 Equity Shares to Vishwa Bhusan K. Tandon, 3,000 Equity Shares to Kulbhusan K. Tandon, 5,850 Equity Shares to Shri Najmuddin M. Abdulhusein, 2,010 Equity Shares to Rajendra Prasad Taparia, 2,010 Equity Shares to Girish Taparia, 1,980 Equity Shares to Hemant Kumar Taparia, 300 Equity Shares to Leena Harikrishna Thakkar, 600 Equity Shares to Sharad Tandon, 300 Equity Shares to Mahesh Kumar Vashram Thumar, 300 Equity Shares to Krishnanarayan Bhagawat Prasad Tiwari, 17,100 Equity Shares to Anasuya Udani, 6,000 Equity Shares to Zarina T. Vahanvaty, 2,700 Equity Shares to G.A. Vignesh, 1,500 Equity Shares to Vasantbhai Amratlal Vora and Alkaben Vasantbhai Vora, 300 Equity Shares to Jamnadas Hansraj Vasoya, 3,000 Equity Shares to G.K. Venkateswari, 75 Equity Shares to Vinaya Gangadhar Hegde, 75 Equity Shares to Vigneshwar Narasimha Hegde, 300 Equity Shares to Ravindra Uttamrao Wagh, 375 Equity Shares to Madhukanta Bhimsinh Zala.

(12) *Allotment of 8,000 Equity Shares to Dharambir Hansraj Aggarwal, 150 Equity Shares to 3A Financial Services Limited, 3,200 Equity Shares to Pankaj Aggarwal, 400 Equity Shares to Alka Infrastrucutre Pvt. Ltd., 400 Equity Shares to Neetu Ajay Agrawal, 100 Equity Shares to Ankita Jain, 400 Equity Shares to Aayushi Khandelwal, 200 Equity Shares to Jitendra Agarwal, 600 Equity Shares to Satyanarayan Agarwala, 100 Equity Shares to Trilokchand Surajbhan Agarwal (HUF), 300 Equity Shares to Balkrishna Narayan Apte, 100 Equity Shares to Shrikant Agrawal, 100 Equity Shares to Rajendra Kumar Agrawal, 200 Equity Shares to Shrikant Agrawal, 200 Equity Shares to Kishore Kumar Agarwal, 8,000 Equity Shares to B.R. Herman &Mohatta (I) Pvt. Ltd., 2,000 Equity Shares to Hoded Abbas Bhatia, 400 Equity Shares to Smt. Varsha Bahl, 20 Equity Shares to B.B. Singh, 400 Equity Shares to Zuzer Mohamedhusain Bahrainwala, 200 Equity Shares to Subray P. Bhat, 100 Equity Shares to Rajendra R. Bandekar, 100 Equity Shares to Prakash Kumar Baglodi, 400 Equity Shares to Nirmala Parasmal Bhandari, 100 Equity Shares to Saroj Devi Bhansaly, 400 Equity Shares to Shruti Sunil Baliga, 50 Equity Shares to Sayeeda Zuzer Bahrainwala, 200 Equity Shares to Shyamsundar Mahabaleshwar Bhat, 200 Equity Shares to Pooja Haresh Bhansali, 100 Equity Shares to Harish Chand Betala, 3,600 Equity Shares to Tapas Basu, 20,000 Equity Shares to Canara Workshops Ltd., 20 Equity Shares to A.K. Basu, 400 Equity Shares to Benajir Ahmed Chunawala, 400 Equity Shares to Gita Chandak, 400 Equity Shares to Arun Kumar Chandak, 400 Equity Shares to Anadya Chhaparia, 400 Equity Shares to Krishna Kumar Chhaparia, 600 Equity Shares to Sunil Chandak, 8,000 Equity Shares to Mayanc Damani, 11,600 Equity Shares to Mahendra Kantilal Deliwala, 11,600 Equity Shares to Shantilal Chhotalal Deliwala, 10,400 Equity Shares to Detinners Pvt. Ltd., 5,200 Equity Shares to Shabbir Zoebbhai Dahodwala, 500 Equity Shares to Zala Bhimsinh Dhiraji, 100 Equity Shares to Chirag H. Dixit, 800 Equity Shares to Govind Lal Daga, 400 Equity Shares to Mukesh Damani, 400 Equity Shares to Udit Dugar, 400 Equity Shares to Vinod Santoshkumar Dhankani, 3,900 Equity Shares to Khozema Najmuddin Dohadwala, 3,900 Equity Shares to Saifuddin Najmuddin Dohadwala, 25 Equity Shares to Gosavi Darshna Dashrath, 600 Equity Shares to Mahesh Kumar Damani, 200 Equity Shares to Kalpesh Haresh Doshi (HUF), 100 Equity Shares to Navneet Damani, 3,344 Equity Shares to Kutbuddin Hakimuddin Dohadwala, 1,114 Equity Shares to Burhan Hakimuddin Dohadwala, 1,114 Equity Shares to Fakhruddin SK Hakimuddin Dahodwala, 1,114 Equity Shares to Jainulabedin Hakimuddin Dohadwala, 1,114 Equity Shares to Najmuddin Hakimuddin Dohadwala, 100 Equity Shares to Piyush Dangi, 4,000 Equity Shares to Electorsteel Casting Ltd., 100 Equity Shares to Pradeep Krishna Ellankar, 2,080 Equity Shares to Ramgopal Garodia, 8,000 Equity Shares to Nutan Pradip Gandhi, 2,400 Equity Shares to Sunil Kumar Gupta, 400 Equity Shares to Pawan Kumar Gupta, 700 Equity Shares to Rashmi Goyal, 1,200 Equity Shares to Bakul Shivlal Ghandhi, 1,200 Equity Shares to Surendra Jagdishlal Gandhi, 100 Equity Shares to Sanjay Amratlal Gandhi, 800 Equity Shares to Ushaben J. Gandhi, 1,400 Equity Shares to GCB Finvest Pvt. Ltd., 1,200 Equity Shares to Rajendra Kumar Gupta, 800 Equity Shares to Kumkum Gupta, 200 Equity Shares to Prabodh Gupta,200 Equity Shares to Santosh Uddhav Gore, 200 Equity Shares to Surendra Jagdishlal Gandhi, 8,000 Equity Shares to Murlishyam Chaituram Gupta, 200 Equity Shares to Nilam Surendra Gandhi, 200 Equity Shares to Abhishek Ginodia, 8,320 Equity Shares to Savita Garodia, 50 Equity Shares to Smita Gadgil, 4,000 Equity Shares to Himmat Steel Foundry Ltd., 200 Equity Shares to Amit G. Hemani, 400 Equity Shares to Shah Bharat Hiralal, 100 Equity Shares to Kamalakar Ishwar Hedge, 100 Equity Shares to Prabhakar Shripal Hedge, 100 Equity Shares to Nagraj Santaram Hegde, 100 Equity Shares to Prakash Chand Hingar, 48,000 Equity Shares to J.K. Traders Ltd., 4,000 Equity Shares to Darshan Lal Jaggi, 8,000 Equity Shares to Vijayendra Kumar Jain, 8,000 Equity Shares to Bhagwantrai Brijlal Jindal, 10,400 Equity Shares to Moiz K. Jiruwala, 200 Equity Shares to Raj Kumar Jajoo, 1,200 Equity Shares to Nawal Kishore Jalan, 400 Equity Shares to Mahendra Kumar Jhunjhunwala, 400 Equity Shares to Sudhakar Gopalrao Jumale, 400 Equity Shares to Manish P. Jain, 400 Equity Shares to Sushma Jain, 800 Equity Shares to Rahul Jain, 400 Equity Shares to Dilip Jain, 400 Equity Shares to Sajjan Kumar Jhunjhunwala (HUF), 100 Equity Shares to Chandra Kumar Jain (HUF), 100 Equity Shares to Arkin Jain (Minor), 100 Equity Shares to Shaivali Maulik Joshi, 50 Equity Shares to Suresh Kumar Jain, 200 Equity Shares to Rahul Jain, 100 Equity Shares to Ranoo Jain, 100 Equity Shares to Amit Kumar Jain (HUF), 1,000 Equity Shares to Jaivardhan Jain, 4,000 Equity Shares to Ashok Kumar Khaitan, 12,000 Equity Shares to Shreelekha Harish Khot, 7,600 Equity Shares to Narayan Dev Kunder, 16,000 Equity Shares to Mukund Khaitan, 8,000 Equity Shares to Mustan Taherbhai Khanbhai, 2,100 Equity Shares to Kamesh Kumar Khaitan, 400 Equity Shares to Mamillapalli Arun Kiran, 2,000 Equity Shares to Ramesh Chandra Kavedia, 3,600 Equity Shares to P.C.G. Asok Kumar, 400 Equity Shares to Keventor Leather Pvt. Ltd., 15,850 Equity Shares to G. Kumaresan, 300 Equity Shares to Piyush Kheria, 100 Equity Shares to Jayshree M. Kapadia, 400 Equity Shares to Renukaben Nareshkumar Khatri, 100 Equity Shares to Jayshreeben Mahendrabhai Kapadia, 100 Equity Shares to Jaikumar Krishnan, 100 Equity Shares to Kirti Jhunjhunwala, 100 Equity Shares to Anand Kumar Khathotia, 700 Equity Shares to Nirmal Kumar Pradeep Kumar (HUF), 400 Equity Shares to Yogita Mayur Kulkarni, 400 Equity Shares to Vilas Kamble (HUF), 100 Equity Shares to Pranav Kheria, 600 Equity Shares to Laxmikant Ramprasad Kabra, 100 Equity Shares to Manoj Kumar, 200 Equity Shares Dhilan D Kothari (HUF), 100 Equity Shares to Gurunath Umakant Kulkarni, 8,000 Equity Shares to Sanjay Kumar Loiwal, 800 Equity Shares to Shrikrishna Vasudeo Lotlikar, 8,000 Equity Shares to Sakkar S. Makaney, 8,000 Equity Shares to Malhotra International Pvt. Ltd., 400 Equity Shares to Krishnaji Narayan Mangaonkar, 8,000 Equity Shares to Pravin Champaklal Mehta, 8,000*

Equity Shares to Adil Shareef Moloobhoy, 10,400 Equity Shares to Montana Pvt. Ltd., 3,000 Equity Shares to Amina Khozem Millwala, 400 Equity Shares to Saroj D. Mehta, 400 Equity Shares to Dilip S. Mehta, 400 Equity Shares to Deepali D. Mehta, 400 Equity Shares to Kamal Kishore Mimani, 400 Equity Shares to Bipin Amratlal Modi, 400 Equity Shares to Vipul Chand Mehta, 400 Equity Shares to M/s Mukund Capital, 400 Equity Shares to Urmil Chandragupta Mehta, 800 Equity Shares to Krishna Mandhana, 100 Equity Shares to Hitesh Narendrabhai Mehta, 100 Equity Shares to Jayshree Ajay Mehta, 800 Equity Shares to Nand Kishore Mohta, 100 Equity Shares to Mihir J Mali, 400 Equity Shares to Gaurav Mimani, 100 Equity Shares to Champaklal Parsotamdas Morakhia, 200 Equity Shares to Deepak Mehta, 200 Equity Shares to Sunita Mohata, 300 Equity Shares to Surya Prakash Mittal, 2,400 Equity Shares to Tushar H. Nanavati, 18,400 Equity Shares to Saida Ikbal Nathani, 8,000 Equity Shares to Hemaxi Nanavati, 4,800 Equity Shares to Arif Sultan Nathani, 2,400 Equity Shares to Rahat A. Nathani, 2,400 Equity Shares to Shaheen A. Nathani, 200 Equity Shares to Naresh Hiralal Shah, 100 Equity Shares to Nandini Jain (Minor), 100 Equity Shares to Narayan V Hegde, 1,000 Equity Shares to P Nalini, 200 Equity Shares to Nitin Sanjay Narke, 2,400 Equity Shares to Vishal Osatwal, 2,800 Equity Shares to Ricky Osatwal, 2,000 Equity Shares to Sanjay Kumar Osatwal, 79,06,300 Equity Shares to President of India, 10,400 Equity Shares to Nalin Somchand Parikh, 10,400 Equity Shares to Vasant Bipin Paymaster, 456 Equity Shares to Rajesh Pannalal Poddar, 400 Equity Shares to Alka Rajesh Poddar, 600 Equity Shares to Rupesh Poddar, 2,400 Equity Shares to Rajendra Prasad Poddar, 2,000 Equity Shares to Ravindra Prasad Poddar, 400 Equity Shares to Kalpesh Jayantibhai Patel, 1,200 Equity Shares to Anil Kantiprasad Poddar, 400 Equity Shares to Sachin Purshottam Patel, 400 Equity Shares to Bhavin M. Patel, 400 Equity Shares to Sonal Parasrampuria, 100 Equity Shares to Jagadish Chandra Morarji Patel, 200 Equity Shares to Patel Ambrish Manojbhai, 100 Equity Shares to Mahendra Bhai M. Patel, 800 Equity Shares to Leenaben A. Patel, 900 Equity Shares to Pranay Arunprashad Patel, 1,500 Equity Shares to Poonam Pranay Patel, 1,200 Equity Shares to Deval Rahul Patel, 400 Equity Shares to Amit Parasrampuria, 400 Equity Shares to Dhyanesh Bhagubhai Patel, 200 Equity Shares to Kamalakar Devappa Patgar, 400 Equity Shares to Kappatakkamatathil Jacob Poulose, 150 Equity Shares to Pramod Kumar Kothari, 456 Equity Shares to Prakash Chandra Poddar, 512 Equity Shares to Vinod Hiralal Poddar, 800 Equity Shares to Nishant Prabhakar Patil, 400 Equity Shares to Krishna Umesh Pai, 800 Equity Shares to Abhijit Prabhakar Patil, 50 Equity Shares to Bhupendrabhai Manharbhai Patel, 192 Equity Shares to Abhisek Kumar Poddar, 100 Equity Shares to Kaushik Amulakhbhai Parikh, 100 Equity Shares to Amita Kaushik Parikh, 200 Equity Shares to Bijoy Kumar Pansari, 200 Equity Shares to Rutwa Paresh Parikh, 192 Equity Shares to Sorabh Kumar Poddar, 192 Equity Shares to Ashish Kumar Poddar, 25 Equity Shares to Hosdurg Ambarish Pai, 25 Equity Shares to Gosavi Dashrath Pandurang, 100 Equity Shares to Mandar Kamlakar Patil, 4,900 Equity Shares to Samala Prabhavathi, 200 Equity Shares to Shobhana Parikh, 10,400 Equity Shares to Rajkumar, 20 Equity Shares to Subrata Kumar Ray, 400 Equity Shares to Punamchand Lalchand Rathod, 400 Equity Shares to Archana Rathi, 400 Equity Shares to Prakash Rathi, 400 Equity Shares to Rohit Singh, 400 Equity Shares to Dilip Kumar Rajgarhia, 7,600 Equity Shares to Samala Subba Reddy, 5,100 Equity Shares to Bade Srinivasa Reddy, 100 Equity Shares to Pramod Ramchandra Raste, 100 Equity Shares to Prem R Raheja, 400 Equity Shares to Kishore Kr. Sabherwal, 8,000 Equity Shares to Zainuddin Kamruddin Sadicote, 10,400 Equity Shares to Ascharjlal Sakhuja, 10,400 Equity Shares to Bharat Vrajlal Shah, 8,000 Equity Shares to Usmangani Peermohamed Sheikh, 7,600 Equity Shares to Pradip Kr. Sharma, 1,200 Equity Shares to Arabindra Singh, 2,400 Equity Shares to Birendra Singh, 4,000 Equity Shares to Singh Engineering Works. (P) Ltd., 2,400 Equity Shares to Ganga Devi Singh, 1,200 Equity Shares to Jitendra Singh, 1,200 Equity Shares to Narendra Singh, 10,400 Equity Shares to Narendra Singh Hargopal Singh, 1,200 Equity Shares to Rabindra Singh, 1,200 Equity Shares to Rajendra Singh, 1,200 Equity Shares to Upendra Singh, 800 Equity Shares to Vijay Shankar Surekha, 12,900 Equity Shares to Kalpana Sharma, 12,000 Equity Shares to Rajeev Sharma, 12,000 Equity Shares to Sanjeev Sharma, 80,000 Equity Shares to Steel Authority of India Ltd., 400 Equity Shares to Rajan Sabherwal, 20 Equity Shares to Suraj Bhan, 400 Equity Shares to Chandrika V. Shah, 400 Equity Shares to Satish Singhal, 400 Equity Shares to Shankar Somani, 400 Equity Shares to Sanjay Kumar Singhal, 400 Equity Shares to Hemal Haresh Shah, 400 Equity Shares Vipin L. Shah, 400 Equity Shares to Shirish Kumar Jivanlal Shah, 2,000 Equity Shares to Mayuri Hemendra Soni, 400 Equity Shares to Jaymin Jayantilal Surani, 400 Equity Shares to Arun Kumar Singhania (HUF), 2,075 Equity Shares to Akshat M. Shah, 400 Equity Shares to Gopal Sharma, 400 Equity Shares to Suresh Kumar Sharma, 400 Equity Shares to Dinesh Chandra Ambalal Shah, 400 Equity Shares to Ramesh Prafulchandra Shah, 400 Equity Shares to Ramesh Chand Singh, 400 Equity Shares to Anita Singh, 100 Equity Shares to Anupama N. Sonar, 400 Equity Shares to Chinta Devi Singh, 200 Equity Shares to Jayant Kulinchandra Soni, 400 Equity Shares to Laxmi Devi Singh, 400 Equity Shares to Santosh Kumar Singh, 400 Equity Shares to Deepa Singh, 400 Equity Shares to Shreekant Sharma, 400 Equity Shares to Shah Lalit Rasiklal, 200 Equity Shares to Sailesh Mahasukhlal Shah, 400 Equity Shares to Sonal Vimal Shah, 400 Equity Shares to Sixth Dimension Infrastructure Ltd., 400 Equity Shares to Shruti Pranav Sharma, 100 Equity Shares to Bhaskar N. Shastri, 100 Equity Shares to Ravi Parameshwar Shastri, 200 Equity Shares to S. Anuja, 2,000 Equity Shares to Saroj Ganeriwal, 10,000 Equity Shares to Suchitra Ganesh Shanbhag, 1,600 Equity Shares to Vikram Swarup, 100 Equity Shares to Sujata Sharma, 1,600 Equity Shares to Gaurav Swarup, 400 Equity Shares to Anupama Rajesh Shanbhag, 400 Equity Shares to Pradnya Yogin Sabnis, 6,800 Equity Shares to Kishore Kumar Sabherwal, 100 Equity Shares to Singaravelu, 50 Equity Shares to Manjula Devi S, 25 Equity Shares to Megha Singla, 300 Equity Shares to Rashmi Singh, 100 Equity Shares to Rakshaben S Shah, 400 Equity Shares to Ricky Paras Sanghvi, 600 Equity Shares to Ricky Paras Sanghvi, 100 Equity Shares to Harshil Shaw, 100 Equity Shares to Pratibha Shaw, 500 Equity Shares to Manavjeet Singh, 800 Equity Shares to Suresh Kumar Sharma, 100 Equity Shares to Mahesh Kumar Soni, 8,000 Equity Shares to Yusufali Taherali, 20,000 Equity Shares to Tata Motors Ltd., 10,400 Equity Shares to M. Yusufalli M. Tayeballi, 60,000 Equity Shares to Texmaco Limited, 4,000 Equity Shares to Vishwa Bhusan K. Tandon, 4,000 Equity Shares to Kulbhusan K. Tandon, 2,680 Equity Shares to Rajendra Prasad Taparia, 2,680 Equity Shares to Girish Taparia, 2,640 Equity Shares to Hemant Kumar Taparia, 20 Equity Shares to S.K. Tripathi, 400 Equity Shares to Leena Harikrishna Thakkar, 800 Equity Shares to Sharad Tandon, 400 Equity Shares to Mahesh Kumar Vashram Thumar, 400 Equity Shares to Krishnanarayan Bhagawat Prasad Tiwari, 25 Equity Shares to Ashok Thakkar, 22,800 Equity Shares to Anasuya Udani, 8,000 Equity Shares to Zarina T. Vahanvaty, 4,000 Equity Shares to G.A. Vignesh, 2,000 Equity Shares to Vasantbhai Amratlal Vora, 400 Equity Shares to Jamnadas Hansraj Vasoya, 3,600 Equity Shares to G.K. Venkateswari, 100 Equity Shares to Vinaya Gangadhar Hegde, 100 Equity Shares to Vigneshwar Narasimha Hegde, 400 Equity Shares to Ravindra Uttamrao Wagh, 500 Equity Shares to Madhukanta Bhimsinh Zala, 100 Equity Shares to Bhavin C Zaveri.

[13] *Allotment of 16,000 Equity Shares to Dharambir Hansraj Aggarwal, 275 Equity Shares to 3A Financial Services Limited, 6,400 Equity Shares to Pankaj Aggarwal, 800 Equity Shares to Alka Infrastructure Pvt. Ltd., 800 Equity Shares to Neetu Ajay Agarwal, 200 Equity Shares to Ankita Jain, 800 Equity Shares to Aayushi Khandelwal, 400 Equity Shares to Jitendra Agarwal, 1,200 Equity Shares to Satyanarayan Agarwala, 200 Equity Shares to Trilokchand Surajbhan Agarwal (HUF), 600 Equity Shares to Balkrishna Narayan Apte, 200 Equity Shares to Shrikant Agarwal, 200 Equity Shares to Rajendra Kumar Agarwal, 400 Equity Shares to Shrikant Agarwal, 400 Equity Shares to Kishore Kumar Agarwal, 16,000 Equity Shares to B.R. Herman & Mohatta (I) Pvt. Ltd., 4,000 Equity Shares to Hoded Abbas Bhatia, 800 Equity Shares to Varsha Bahl, 40 Equity Shares to B B Singh, 800 Equity Shares to Zuzer Mohamedhusain Bahrainwala, 400 Equity Shares to Subray P. Bhat, 200 Equity Shares to Rajendra R. Bandekar, 200 Equity Shares to Prakash Kumar Baglodi, 800 Equity Shares to Nirmala Parasmal Bhandari, 200 Equity Shares to Saroj Devi Bhansaly, 800 Equity Shares to Shruti Sunil Baliga, 100 Equity Shares to Sayeeda Zuzer Bahrainwala, 400 Equity Shares to Shyamsundar Mahabaleshwar Bhat, 400 Equity Shares to Pooja Haresh Bhansali, 200 Equity Shares to Harish Chand Betala, 7,200 Equity Shares to Tapas Basu, 25 Equity Shares to Kamal Kumar Bagra, 500 Equity Shares to Sourabh Bhartia, 1,000 Equity Shares to Swati Shrikrishna Bhagwat, 40,000 Equity Shares to Canara Workshops Ltd., 40 Equity Shares to A K Basu, 800 Equity Shares to Benajir Ahmed Chunawala, 800 Equity Shares to Gita Chandak, 800 Equity Shares to Arun Kumar Chandak, 800 Equity Shares to Anadya Chhaparia, 800 Equity Shares to Krishna Kumar Chhaparia, 1,200 Equity Shares to Sunil Chandak, 16,000 Equity Shares to Mayanc Damani, 23,200 Equity Shares to Mahendra Kantilal Deliwala, 23,200 Equity Shares to Shantilal Chhotalal Deliwala, 20,800 Equity Shares to Detinners Pvt. Ltd., 10,400 Equity Shares to Shabbir Zoebbhai Dahodwala, 400 Equity Shares to Zala Bhimsinh Dhiraji, 200 Equity Shares to Chirag H. Dixit, 1,600 Equity Shares to Govind Lal Daga, 800 Equity Shares to Mukesh Damani, 800 Equity Shares to Udit Dugar, 800 Equity Shares to Vinod Santoshkumar Dhankani, 7,800 Equity Shares to Khozema Najmuddin Dohadwala, 7,800 Equity Shares to Saifuddin Najmuddin Dohadwala, 50 Equity Shares to Gosavi Darshna Dashrath, 1,200 Equity Shares to Mahesh Kumar Damani, 400 Equity Shares to Kalpesh Haresh Doshi (HUF), 200 Equity Shares to Navneet Damani, 6,688 Equity Shares to Kutbuddin Hakimuddin Dohadwala, 2,228 Equity Shares to Burhan Hakimuddin Dohadwala, 2,228 Equity Shares to Fakhruddin SK Hakimuddin Dahodwala, 2,228 Equity Shares to Jainulabedin Hakimuddin Dohadwala, 2,228 Najmuddin Hakimuddin Dohadwala, 200 Equity Shares to Piyush Dangi, 500 Equity Shares to Hitesh N Dharawat, 500 Equity Shares to Snehlata Kaushik Desai, 500 Equity Shares to Udit Kaushik Desai, 8,000 Equity Shares to Electrosteel Casting Ltd., 200 Equity Shares to Pradeep Krishna Ellankar, 4,160 Equity Shares to Ramgopal Garodia, 16,000 Equity Shares to Nutan Pradip Gandhi, 4,800 Equity Shares to Sunil Kumar Gupta, 800 Equity Shares to Pawan Kumar Gupta, 1,400 Equity Shares to Rashmi Goyal, 2,400 Equity Shares to Bakul Shivlal Ghandhi, 3,200 Equity Shares to Surendra Jagdishlal Gandhi, 200 Equity Shares to Sanjay Amratlal Gandhi, 2,800 Equity Shares to GCB Finvest Pvt. Ltd., 2,400 Equity Shares to Rajendra Kumar Gupta, 1,600 Equity Shares to Kumkum Gupta, 400 Equity Shares to Prabodh Gupta, 400 Equity Shares to Surendra Jagdishlal Gandhi, 16,000 Equity Shares to Murlishyam Chaituram Gupta, 1,200 Equity Shares to Nilam Surendra Gandhi, 300 Equity Shares to Abhishek Ginodia, 16,640 Equity Shares to Savita Garodia, 100 Equity Shares to Smita Gadgil, 1,000 Equity Shares to Medha Satish Gangolli, 1,000 Equity Shares to Anuradha Satish Gangolli, 8,000 Equity Shares to Himmat Steel Foundry Limited, 400 Equity Shares to Amit G Hemani, 800 Equity Shares to Shah Bharat Hiralal, 200 Equity Shares to Kamalakar Ishwar Hedge, 200 Equity Shares to Prabhakar Shripal Hedge, 200 Equity Shares to Nagraj Santaram Hegde, 200 Equity Shares to Prakash Chand Hingar, 1,000 Equity Shares to Sadanand Ramchandra Hosalkar, 96,000 Equity Shares to J.K. Traders Ltd., 8,000 Equity Shares to Darshan Lal Jaggi, 16,000 Equity Shares to Vijayendra Kumar Jain, 16,000 Equity Shares to Bhagwantrai Brijlal Jindal, 20,800 Equity Shares to Moiz K. Jiruwala, 400 Equity Shares to Raj Kumar Jajoo, 2,400 Equity Shares to Naval Kishore Jalan, 800 Equity Shares to Mahendra Kumar Jhunjhunwala, 800 Equity Shares to Manish P. Jain, 800 Equity Shares to Sushma Jain, 1,600 Equity Shares to Rahul Jain, 800 Equity Shares to Dilip Jain, 800 Equity Shares to Sajjan Kumar Jhunjhunwala (HUF), 200 Equity Shares to Chandra Kumar Jain (HUF), 200 Equity Shares to Arkin Jain (Minor), 200 Equity Shares to Shaivali Maulik Joshi, 100 Equity Shares to Suresh Kumar Jain, 400 Equity Shares to Rahul Jain, 200 Equity Shares to Ranoo Jain, 200 Equity Shares toAmit Kumar Jain (HUF), 2,000 Equity Shares to Jaivardhan Jain, 100 Equity Shares to Devang N. Jhaveri, 1,000 Equity Shares to Malviya Neeta Jaideo, 1,000 Equity Shares to Tanmay Deepak Jadhav, 8,000 Equity Shares to Ashok Kumar Khaitan, 24,000 Equity Shares to Shreelekha Harish Khot, 15,200 Equity Shares to Narayan Dev Kunder, 32,000 Equity Shares to Mukund Khaitan, 16,000 Equity Shares to Mustan Taherbhai Khanbhai, 4,200 Equity Shares to Kamesh Kumar Khaitan, 800 Equity Shares to Mamillpalli Arun Kiran, 4,000 Equity Shares to Ramesh Chandra Kavedia, 7,200 Equity Shares to PCJ Asok Kumar, 800 Equity Shares to Keventor Leather Pvt. Ltd., 31,700 Equity Shares to G. Kumaresan, 600 Equity Shares to Piyush Kheria, 800 Equity Shares to Renukaben Nareshkumar Khatri, 200 Equity Shares to Jaikumar Krishnan, 200 Equity Shares to Anand Kumar Kathotia, 1,400 Equity Shares to Nirmal Kumar Pradeep Kumar (HUF), 800 Equity Shares to Yogita Mayur Kulkarni, 800 Equity Shares to Vilas L Kamble (HUF), 200 Equity Shares to Pranav Kheria, 1,200 Equity Shares to Laxmikant Ramprasad Kabra, 200 Equity Shares to Manoj Kumar, 400 Equity Shares to Dhilan D Kothari (HUF), 200 Equity Shares to Gurunath Umakant Kulkarni, 400 Equity Shares to Purvi Ashish Kapadia, 100 Equity Shares to Anaghan Ketanbhai, 16,000 Equity Shares to Sanjay Kumar Loiwal, 1,600 Equity Shares to Shrikrishna Vasudeo Lotlikar, 500 Equity Shares to Anushree Sanjay Lokur, 16,000 Equity Shares to Sakkar S. Makaney, 16,000 Equity Shares to Malhotra International Pvt. Ltd., 800 Equity Shares to Krishnaji Narayan Mangaonkar, 16,000 Equity Shares to Pravin Champaklal Mehta, 16,000 Equity Shares to Adil Shareef Moloobhoy, 20,800 Equity Shares to Montana Pvt. Ltd., 4,000 Equity Shares to Amina Khozemn Millwala, 800 Equity Shares to Saroj D. Mehta, 800 Equity Shares to Dilip S. Mehta, 800 Equity Shares to Deepali D. Mehta, 800 Equity Shares to Kamal Kishore Mimani, 800 Equity Shares to Bipin Amratlal Modi, 800 Equity Shares to Vipul Chand Mehta, 800 Equity Shares to Mukund Capital, 800 Equity Shares to Urmil Chandragupta Mehta, 1,600 Equity Shares to Krishna Mandhana, 200 Equity Shares to Hitesh Narendrabhai Mehta, 200 Equity Shares to Jayshree Ajay Mehta, 1,600 Equity Shares to Nand Kishore Mohta, 200 Equity Shares to Mihir J Mali, 800 Equity Shares to Gaurav Mimani, 200 Equity Shares to Champaklal Parsotamdas Morakhia, 400 Equity Shares to Deepak Mehta, 400 Equity Shares to Sunita Mohata, 600 Equity Shares to Surya Prakash Mittal, 500 Equity Shares to Tushar Prabhakar Medhekar, 500 Equity Shares to Ameya Tushar Medhekar, 4,800 Equity Shares to Tushar H. Nanavati, 36,800 Equity Shares to Saida Ikbal Nathani, 16,000 Equity Shares to Hemaxi Nanavati, 9,600 Equity Shares to Arif Sultan Nathani, 4,800 Equity Shares to Rahat A. Nathani, 4,800 Equity Shares to*

Shaheen A. Nathani, 400 Equity Shares to Naresh Hiralal Shah, 200 Equity Shares to Nandini Jain (Minor), 200 Equity Shares to Narayan V Hegde, 2,000 Equity Shares to P Nalini, 400 Equity Shares to Nitin Sanjay Narke, 500 Equity Shares to Anant Vaman Nayak, 4,800 Equity Shares to Vishal Osatwal, 5,600 Equity Shares to Ricky Osatwal, 4,000 Equity Shares to Sanjay Kumar Osatwal, 1,58,12,600 Equity Shares to President of India, 20,800 Equity Shares to Nalin Somchand Parikh, 20,800 Equity Shares to Vasant Bipin Paymaster, 912 Equity Shares to Rajesh Pannalal Poddar, 800 Equity Shares to Alka Rajesh Poddar, 1,200 Equity Shares to Rupesh Poddar, 4,800 Equity Shares to Rajendra Prasad Poddar, 4,000 Equity Shares to Ravindra Prasad Poddar, 800 Equity Shares to Kalpesh Jayantibhai Patel, 2,300 Equity Shares to Anil Kantiprasad Poddar, 800 Equity Shares to Sachin Purshottam Patel, 800 Equity Shares to Bhavin M. Patel, 800 Equity Shares to Sonal Parasrampuria, 200 Equity Shares to Jagadish Chandra Morarji Patel, 400 Equity Shares to Patel Ambrish Manojbhai, 200 Equity Shares to Mahendra Bhai M. Patel, 1,600 Equity Shares to Leenaben A. Patel, 1,800 Equity Shares to Pranay Arunprashad Patel, 3,000 Equity Shares to Poonam Pranay Patel, 2,400 Equity Shares to Deval Rahul Patel, 800 Equity Shares to Amit Parasrampuria, 800 Equity Shares to Dhyanesh Bhagubhai Patel, 400 Equity Shares to Kamalakar Devappa Patgar, 300 Equity Shares to Pramod Kumar Kothari, 912 Equity Shares to Prakash Chandra Poddar, 1,024 Equity Shares to Vinod Hiralal Poddar, 1,600 Equity Shares to Nishant Prabhakar Patil, 800 Equity Shares to Krishna Umesh Pai, 1,600 Equity Shares to Abhijit Prabhakar Patil, 100 Equity Shares to Bhupendrabhai Manharbhai Patel, 384 Equity Shares to Abhisek Kumar Poddar, 200 Equity Shares to Kaushik Amulakhbhai Parikh, 200 Equity Shares to Amita Kaushik Parikh, 400 Equity Shares to Bijoy Kumar Pansari, 400 Equity Shares to Rutwa Paresh Parikh, 384 Equity Shares to Sorabh Kumar Poddar, 384 Equity Shares to Ashish Kumar Poddar, 50 Equity Shares to Hosdurg Ambarish Pai, 50 Equity Shares to Gosavi Dashrath Pandurang, 200 Equity Shares to Mandar Kamlakar Patil, 10,600 Equity Shares to Samala Prabhavathi, 400 Equity Shares to Shobhana Parikh, 100 Equity Shares to Arpit Parikh, 20,800 Equity Shares to Rajkumar, 40 Equity Shares to Subrata Kumar Ray, 800 Equity Shares to Punamchand Lalchand Rathod, 800 Equity Shares to Archana Rathi, 800 Equity Shares to Prakash Rathi, 800 Equity Shares to Rohit Singh, 800 Equity Shares to Dilip Kumar Rajgarhia, 15,200 Equity Shares to Samala Subba Reddy, 10,200 Equity Shares to Bade Srinivasa Reddy, 200 Equity Shares to Pramod Ramchandra Raste, 200 Equity Shares to Prem R Raheja, 500 Equity Shares to Jigar Devendra Rajyagor, 800 Equity Shares to Kishore Kr. Sabherwal, 16,000 Equity Shares to Zainuddin Kamruddin Sadicote, 20,800 Equity Shares to Ascharjlal Sakhuja, 20,800 Equity Shares to Bharat Vrajlal Shah, 2,000 Equity Shares to Usmangani Peermohamed Sheikh, 15,200 Equity Shares to Pradip Kr. Sharma, 2,400 Equity Shares to Arabindra Singh, 4,800 Equity Shares to Birendra Singh, 8,000 Equity Shares to Singh Engineering Works. (P) Ltd., 4,800 Equity Shares to Ganga Devi Singh, 2,400 Equity Shares to Jitendra Singh, 2,400 Equity Shares to Narendra Singh, 20,800 Equity Shares to Narendra Singh Hargopal Singh, 2,400 Equity Shares to Rabindra Singh, 2,400 Equity Shares to Rajendra Singh, 2,400 Equity Shares to Upendra Singh, 1,600 Equity Shares to Vijay Shankar Surekha, 25,800 Equity Shares to Kalpana Sharma, 24,000 Equity Shares to Rajeev Sharma, 24,000 Equity Shares to Sanjeev Sharma, 1,60,000 Equity Shares to Steel Authority of India Ltd., 800 Equity Shares to Rajan Sabherwal, 40 Equity Shares to Suraj Bhan, 800 Equity Shares to Chandrika V. Shah, 800 Equity Shares to Satish Singhal, 800 Equity Shares to Shankar Somani, 800 Equity Shares to Sanjay Kumar Singhal, 800 Equity Shares to Hemanl Haresh Shah, 800 Equity Shares to Vipin L. Shah, 800 Equity Shares to Shirish Kumar Jivanlal Shah, 4,000 Equity Shares to Mayuri Hemendra Soni, 800 Equity Shares to Jaymin Jayantilal Surani, 800 Equity Shares to Arun Kumar Singhania (HUF), 4,150 Equity Shares to Akshat M. Shah, 800 Equity Shares to Gopal Sharma, 800 Equity Shares to Suresh Kumar Sharma, 800 Equity Shares to Dinesh Chandra Ambalal Shah, 800 Equity Shares to Ramesh Prafulchandra Shah, 800 Equity Shares to Ramesh Chand Singh, 800 Equity Shares to Anita Singh, 200 Equity Shares to Anupama N. Sonar, 800 Equity Shares to Chinta Devi Singh, 400 Equity Shares to Jayant Kulinchandra Soni, 800 Equity Shares to Laxmi Devi Singh, 800 Equity Shares to Santosh Kumar Singh, 800 Equity Shares to Deepa Singh, 800 Equity Shares to Shreekant Sharma, 800 Equity Shares to Shah Lalit Rasiklal, 400 Equity Shares to Sailesh Mahasukhlal Shah, 800 Equity Shares to Sonal Vimal Shah, 800 Equity Shares to Sixth Dimension Infrastructure Ltd., 800 Equity Shares to Shruti Pranav Sharma, 200 Equity Shares to Bhaskar N. Shastri, 200 Equity Shares to Ravi Parameshwar Shastri, 400 Equity Shares to S. Anuja, 4,000 Equity Shares to Saroj Ganeriwal, 25,000 Equity Shares to Suchitra Ganesh Shanbhag, 3,200 Equity Shares to Vikram Swarup, 200 Equity Shares to Sujata Sharma, 3,200 Equity Shares to Gaurav Swarup, 800 Equity Shares to Anupama Rajesh Shanbhag, 800 Equity Shares to Pradnya Yogin Sabnis, 13,600 Equity Shares to Kishore Kumar Sabherwal, 200 Equity Shares to Singaravelu, 100 Equity Shares to Manjula Devi S, 50 Equity Shares to Megha Singla, 600 Equity Shares to Rashmi Singh, 200 Equity Shares to Rakshaben S Shah, 800 Equity Shares to Ricky Paras Sanghvi, 1,200 Equity Shares to Ricky Paras Sanghvi, 200 Equity Shares to Harshil Shaw, 200 Equity Shares to Pratibha Shaw, 1,000 Equity Shares to Manavjeet Singh, 1,600 Equity Shares to Suresh Kumar Sharma, 200 Equity Shares to Mahesh Kumar Soni, 100 Equity Shares to Harshida S Shah, 600 Equity Shares to Hitesh Dharamchand Shah, 500 Equity Shares to Rishabh V Sheth, 16,000 Equity Shares to Yusufali Taherali, 40,000 Equity Shares to Tata Motors Limited, 20,800 Equity Shares to M. Yusufalli M. Tayeballi, 1,20,000 Equity Shares to Texmaco Limited, 8,000 Equity Shares to Vishwa Bhusan K. Tandon, 8,000 Equity Shares to Kulbhusan K. Tandon, 5,360 Equity Shares to Rajendra Prasad Taparia, 5,360 Equity Shares to Girish Taparia, 5,280 Equity Shares to Hemant Kumar Taparia, 40 Equity Shares to S. K. Tripathi, 800 Equity Shares to Leena Harikrishna Thakkar, 1,600 Equity Shares to Sharad Tandon, 800 Equity Shares to Mahesh Kumar Vashram Thumar, 800 Equity Shares to Krishnanarayan Bhagawat Prasad Tiwari, 50 Equity Shares to Ashok Thakkar, 45,600 Equity Shares to Anasuya Udani, 16,000 Equity Shares to Zarina T. Vahanvaty, 8,000 Equity Shares to G.A. Vignesh, 4,000 Equity Shares to Vasantbhai Amratlal Vora, 800 Equity Shares to Jamnadas Hansraj Vasoya, 7,200 Equity Shares to G.K. Venkateswari, 200 Equity Shares to Vinaya Gangadhar Hegde, 200 Equity Shares to Vighneshwar Narsimha Hegde, 800 Equity Shares to Ravindra Uttamrao Wagh, 800 Equity Shares to Sakharbai Vishal Wavre, 1,000 Equity Shares to Madhukanta Bhimsinh Zala, 200 Equity Shares to Bhavin C. Zaveri, 200 Equity Shares to Darshana Bhavin Zaveri, 200 Equity Shares to Kirti Jhunjhunwala.

[14] *Allotment of 1,600 Equity Shares to Vinod S Dhankani, 100 Equity Shares to Anila Praful Shah, 200 Equity Shares to Praful Nemchand Shah, 200 Equity Shares to Hitesh N Mehta, 400 Equity Shares to Jayshree Ajay Mehta, 100 Equity Shares to Prachi Sohil Shah, 41,600 Equity Shares to Bharat Vrajlal Shah, 50 Equity Shares to Jayaben Bhikhubhai Patel, 5 Equity Shares to Indra Kumar Bagri, 206 Equity Shares to Ramsetty Vidyarani, 50 Equity Shares to Radha Mittal, 11 Equity Shares to Saibal Kumar Dutt, 200 Equity Shares to Anand Kumar, 700 Equity Shares to N. Balasubramaniam, 41,600 Equity Shares*

to Nalin Somchand Parikh, 800 Equity Shares to Bijoy Kumar Pansari, 50 Equity Shares to Pannalal Bhansali, 100 Equity Shares to Devang Navinchand Jhaveri, 73,600 Equity Shares to Saida Ikbal Nathani, 400 Equity Shares to Harishchand Betala, 50 Equity Shares to Harishchand Betala, 4,800 Equity Shares to Upendra Singh, 100 Equity Shares to Rhea Khetan, 6,400 Equity Shares to Vikram Swarup, 6,400 Equity Shares to Gaurav Swarup, 1,900 Equity Shares to Mayank Lunawat, 85 Equity Shares to Atul K Pathak, 10 Equity Shares to Pragesh S Jain, 75 Equity Shares to Hari K Vootukuri, 100 Equity Shares to Srinivas Raghavan, 1,600 Equity Shares to Leena Harikrishna Thakkar, 200 Equity Shares to Sanshit Gulla, 50 Equity Shares to Alok Noratmal Bardia, 400 Equity Shares to Rajendra R Bandekar, 50 Equity Shares to Ravi P Jadawala, 121 Equity Shares to Sudheer Pandurang Gokhale, 9 Equity Shares to Yogesh Kumar Gawande, 5,500 Equity Shares to Rajesh Kumar Jain, 400 Equity Shares to Chirag Harshad Dixit, 34,700 Equity Shares to Sanjeev Sharma, 100 Equity Shares to Malukchand Hajmal Jain, 1,000 Equity Shares to Rishabh Vijay Sheth, 8,000 Equity Shares to Ramesh Chandra Kavedia, 150 Equity Shares to Mitesh Khariwal, 1,000 Equity Shares to Smita S Naxane, 1,000 Equity Shares to Sachin V Naxane, 100 Equity Shares to Simardeep Singh, 500 Equity Shares to Pradip Uttamrao Ghormade, 990 Equity Shares to Bhavin Chandrakant Zaveri, 1,600 Equity Shares to Nirmala Paras Bhandari, 500 Equity Shares to Monish Bhandari, 250 Equity Shares to Manoj Kantilal Munot, 1,000 Equity Shares to Shah Vasantbhai Pragji, 55 Equity Shares to Khushboo Nayan Shah, 10,560 Equity Shares to Hemant Kumar Taparia, 250 Equity Shares to Ankit Jalan, 250 Equity Shares to Anuj Jalan, 400 Equity Shares to Champaklal Parsotamdas Morakhia, 100 Equity Shares to Dave Dharmendra Dineshchandra, 150 Equity Shares to Brij Kumar Nagar, 32,000 Equity Shares to Mustan Taherbhai Khanbhai, 200 Equity Shares to Mukeshkumar S Jain, 100 Equity Shares to Manoj Kumar, 20 Equity Shares to Aparna Sarkar, 711 Equity Shares to Vaishali Dhankani, 15 Equity Shares to Radhika Kishore Vahi, 15 Equity Shares to Kishore Amarnath Vahi, 200 Equity Shares to Shrujalbhai Patel, 500 Equity Shares to Nivedita Malvi, 4,000 Equity Shares to Amina Khozem Millwala, 4,800 Equity Shares to Rajendra Kumar Gupta, 3,200 Equity Shares to Kumkum Gupta, 400 Equity Shares to Prakash Chand Hingar, 1,000 Equity Shares to Prakash Kumar Tulsyan, 1,300 Equity Shares to Udit Kumar Dugar, 200 Equity Shares to Suresh Kumar Jain, 300 Equity Shares to Shreenath Smart Technologies Pvt. Ltd., 900 Equity Shares to Ashish B Chitalia, 3,200 Equity Shares to Nand Kishore Mohta, 400 Equity Shares to Mit S Dani, 800 Equity Shares to Prabodh Gupta, 2,000 Equity Shares to Anuradha Satish Gangolli, 1,000 Equity Shares to Udit Kaushik Desai, 4,800 Equity Shares to Bakul Shivlal Gandhi, 400 Equity Shares to Ranoo Jain, 100 Equity Shares to Santosh Vasant Jawadekar, 200 Equity Shares to Vikash Joshi, 5 Equity Shares to Renuka Parag Patel, 500 Equity Shares to Ruby Amin Merchant, 1,600 Equity Shares to Gaurav Mimani, 32,000 Equity Shares to B R Herman and Mohatta India Pvt. Ltd., 1,600 Equity Shares to Kamal Kishore Mimani, 800 Equity Shares to Dilip Kumar Rajgarhia, 800 Equity Shares to Rajkumar Jajoo, 150 Equity Shares to Nityanand Bukka, 100 Equity Shares to M L N Kameswara Rao, 200 Equity Shares to Preetinkar Jain, 1,000 Equity Shares to Anant Vaman Nayak, 100 Equity Shares to Ketan Arvind Shah, 350 Equity Shares to Gaurav Agarwal, 100 Equity Shares to Suvendu Bikash Mishra, 4,600 Equity Shares to Anil Kantiprasad Poddar, 300 Equity Shares to Jyoti Bhushan Dahad, 300 Equity Shares to Dahad Vrushali Chetan, 100 Equity Shares to Kanchan Satish Godhiya, 1,600 Equity Shares to Bipinchandra Amrutlal Modi, 400 Equity Shares to Zala Bhimsinh Dhiraji, 800 Equity Shares to Kalpesh Haresh Doshi (HUF), 800 Equity Shares to Madhukanta Bhimsinh Zala, 800 Equity Shares to Jayantkumar Kulinchandra Soni, 150 Equity Shares to G Kavitha, 16,000 Equity Shares to Kul Bhushan K Tandon, 50 Equity Shares to Manjunath Mahabaleshwar Bhat, 50 Equity Shares to Subray S Hegde, 2,000 Equity Shares to Pratibhaben Mahendrabhai Shah, 32,000 Equity Shares to Sanjay Kumar Loiwal, 100 Equity Shares to Bhakti Bhusan Roy, 295 Equity Shares to Subodh Bala Nanda, 50 Equity Shares to Manas Bandyopadhyay, 100 Equity Shares to Dhiman Kishore Ghosh, 100 Equity Shares to Kaushik Mitra, 50 Equity Shares to Sumita Bhowmik, 400 Equity Shares to Kirti Jhunjhunwala, 75 Equity Shares to Chandasree Dutta, 20 Equity Shares to Shripal Singh Mohnot, 10,500 Equity Shares to Rajeev Sharma, 152,000 Equity Shares to Investor Education and Protection Fund Authority Ministry of Corporate Affairs, 30 Equity Shares to Ashokkumar Patel, 5,600 Equity Shares to GCB Finvest Pvt. Ltd., 500 Equity Shares to Lokur Anushree Sanjay, 1,600 Equity Shares to Baliga Shruti Sunil, 15 Equity Shares to Vedpathak Sanjay Dattatray, 1,600 Equity Shares to Jain Dilip Sohanlal, 10 Equity Shares to Hasmukh L Raichura, 1,600 Equity Shares to Krishna Umesh Pai, 1,600 Equity Shares to Anupama R Shanbhag, 1,000 Equity Shares to Swati Shrikrishna Bhagwat, 400 Equity Shares to Joshi Shaivali Maulik, 1,600 Equity Shares to Fulchand Lalchand Rathod, 1,200 Equity Shares to Dineshchandra Ambalal Shah, 64,000 Equity Shares to Mukund Khaitan, 40 Equity Shares to Kaushika Kadakia, 3,200 Equity Shares to Govind Lal Daga, 450 Equity Shares to AKB Advisors Pvt. Ltd., 8,400 Equity Shares to Kamesh Kumar Khaitan, 150 Equity Shares to Darshini D. Ramani, 8 Equity Shares to Dipak Madhukar Khanwelkar, 3 Equity Shares to Mahendra Gadia, 400 Equity Shares to Sanjay Amratlal Gandhi, 50 Equity Shares to Chandrakant Trimbakrao Deotale, 5 Equity Shares to Rajiv Maheshwari, 600 Equity Shares to Surya Prakash Mittal, 1,000 Equity Shares to Piyush Securities Pvt. Ltd., 50 Equity Shares to Kamal Kumar Bagra, 400 Equity Shares to Amit Kumar Jain, 768 Equity Shares to Sorabh Kumar Poddar, 100 Equity Shares to Piyush Dangi, 50,000 Equity Shares to Suchitra Ganesh Shanbhag, 28 Equity Shares to Rajiv Sen, 400 Equity Shares to Navneet B Damani, 2,400 Equity Shares to Satya Narayan Agarwala, 53 Equity Shares to Nibedita Samal, 32,000 Equity Shares to Vijayendra Kumar Jain, 10 Equity Shares to Amiben U Mehta, 200 Equity Shares to Sampati Bhattad, 1,600 Equity Shares to Kalpesh Jayantibhai Patel, 750 Equity Shares to Shantilal Sanghvi, 1,200 Equity Shares to Shrikant Agrawal, 1,400 Equity Shares to Nirmal Kumar Pradeep Kumar, 2,400 Equity Shares to Laxmikant Ramprasad Kabra, 180 Equity Shares to Parinaz Hanoz Patel, 180 Equity Shares to Parizad Hanoz Patel, 25 Equity Shares to Swapnil D Ratnakar, 100 Equity Shares to Piyush Vikas Dahad, 200 Equity Shares to Chetan Vikas Dahad, 200 Equity Shares to Bhushan Vikas Dahad, 200 Equity Shares to Ganga Vikas Dahad, 400 Equity Shares to Gurunath Umakant Kulkarni, 10,720 Equity Shares to Rajendra Prasad Taparia, 400 Equity Shares to Rajendra L Agrawal (HUF), 50 Equity Shares to Satish Kumar Mishra (HUF), 5 Equity Shares to Hitesh N Dharawat, 8,320 Equity Shares to Shabbir Zoebbhai Dahodwala, 4,160 Equity Shares to Mohammed Z Uchwaniwala, 4,160 Equity Shares to Juzer Z Uchwaniwala, 400 Equity Shares to Gopal Ramkishor Sharma, 4,160 Equity Shares to Saifee Zoebbhai Dohadwala, 13,376 Equity Shares to Kutbuddin Hakimuddin Dohadwala, 4,456 Equity Shares to Fakhruddin Sk Hakimuddin Dahodwala, 4,456 Equity Shares to Burhan Hakimuddin Dohadwala, 250 Equity Shares to Kirpal Singh Virdi, 250 Equity Shares to Sanjiv Vasudeva, 500 Equity Shares to Prakash Shreeram Akre, 10 Equity Shares to Naresh Kumar, 4,000 Equity Shares to Ricky Paras Sanghvi, 500 Equity Shares to Abhishek Ginodia, 1,435 Equity Shares to Altius Investech Pvt. Ltd., 1,000 Equity Shares to Tushar P Medhekar, 2,000 Equity Shares to S R Hosalkar, 1,350 Equity Shares to Sunanda Rajendra Deo, 1,000

Equity Shares to Snehalata Kaushik Desai, 3,300 Equity Shares to Sunil Chandak, 500 Equity Shares to Nitin Chittananda Rao, 1,114 Equity Shares to Abhijeet Thakur, 200 Equity Shares to Rayomand Maneckshaw, 250 Equity Shares to Sunil Kumar Chandak, 400 Equity Shares to Surjeet D Sharma, 3,200 Equity Shares to Shrikrishna Lotlikar, 3,200 Equity Shares to Abhijit Prabhakar Patil, 1,300 Equity Shares to Vinay Dharamchand Shah, 500 Equity Shares to G Gnanasehar Devadason, 1,500 Equity Shares to Srish Kumar Agrawal, 15,600 Equity Shares to Khozema Najmuddin Dohadwala, 15,600 Equity Shares to Saifuddin Najmuddin Dohadwala, 200 Equity Shares to Sarita Jain, 1,000 Equity Shares to Ameya Tushar Medhekar, 1,000 Equity Shares to Narendra P Bhagwat, 1,000 Equity Shares to Jigar Devendra Rajyagor, 2,000 Equity Shares to Medha Satish Gangolli, 25 Equity Shares to Dhairya Narendra Shah, 1,000 Equity Shares to Ramesh Prafulchandra Shah, 800 Equity Shares to Aayush J Agarwal, 1,600 Equity Shares to Alka Rajesh Poddar, 500 Equity Shares to Deepa H Purswani, 50 Equity Shares to Devna D Kothari, 400 Equity Shares to Smita Gadgil, 1,600 Equity Shares to Ravindra Uttamrao Wagh, 200 Equity Shares to Sucheta Pravin Joshi, 500 Equity Shares to Ashutosh Sridhar Rao, 400 Equity Shares to Pramod Ramchandra Raste, 400 Equity Shares to Vicky Dipakkumar Brijwasi, 100 Equity Shares to Dhilan Kothari, 50 Equity Shares to Hema Devendra Kothari, 20 Equity Shares to Dixit Dinesh Bokadia, 10 Equity Shares to Sonal Ketan Parekh, 200 Equity Shares to Manoj Subhash Khatri, 1,000 Equity Shares to Saurabh Bhartia, 1,200 Equity Shares to Chandrika Dharamchand Shah, 300 Equity Shares to Mayna H Shah, 100 Equity Shares to Rajendra Singh, 13,000 Equity Shares to Om Parkash Sakhuja, 185 Equity Shares to Ruchika Goyal, 200 Equity Shares to Poonam Varma, 100 Equity Shares to Naveen Gandhi, 850 Equity Shares to Sanjay Chhajer, 1,600 Equity Shares to Benazir Ahmed Chunawala, 14,400 Equity Shares to Asok Kumar P C G, 8,000 Equity Shares to A Radhika, 67,400 Equity Shares to G Kumaresan, 16,000 Equity Shares to G A Vignesh, 14,300 Equity Shares to Venkateswari G K, 50 Equity Shares to R Visalakshi, 1,500 Equity Shares to Chidambaram G K, 300 Equity Shares to Arumugachamy J, 200 Equity Shares to Madhavi, 10 Equity Shares to Shrikant Balkrishna Tambe, 600 Equity Shares to Archana Rathi, 100 Equity Shares to Tushar Patel, 100 Equity Shares to Rajesh Kumar Goyal, 1,600 Equity Shares to Sachin Pursottamdas Patel, 1,600 Equity Shares to Jaymin J Surani, 1,000 Equity Shares to Rashmi Goyal, 1,300 Equity Shares to Ansha Goyal, 500 Equity Shares to Pulak Nanda, 50 Equity Shares to Amit Kumar Mondal, 25 Equity Shares to Moolchand Choradia (HUF), 25 Equity Shares to Yatiraj Karwa (HUF), 650 Equity Shares to Ganesh Jiwarajka, 500 Equity Shares to Ashok Kumar Agarwala, 3,336 Equity Shares to Sunita Sunderdas Damani, 400 Equity Shares to Madhu Ruia, 500 Equity Shares to Meenal D Roopchand, 600 Equity Shares to Sudhir Mohanlal Ruia, 250 Equity Shares to Anju Chamria, 50 Equity Shares to Gopal Agarwal, 10 Equity Shares to Rita Manish Shah, 146 Equity Shares to Krishan Kumar Sharma, 200 Equity Shares to Vishal Bhavarlal Jain, 500 Equity Shares to Mahadev Vanijya Private Limited, 5 Equity Shares to Davda Rajil Bharatbhai, 200 Equity Shares to Subhra Nathani, 800 Equity Shares to Patel Ambrish Manojbhai, 30 Equity Shares to Amit Chandrakant Sangani, 800 Equity Shares to Nareshbhai Hiralal Shah, 1,600 Equity Shares to Bharat Hiralal Shah, 1,600 Equity Shares to Chandrika Vipin Shah, 1,600 Equity Shares to Vipin Laherchand Shah, 77 Equity Shares to 3A Financial Services Ltd, 50 Equity Shares to Avelin Bardeskar, 25 Equity Shares to Bhavesh Yashvant Shah, 25,500 Equity Shares to Nutan Pradeep Gandhi, 32,000 Equity Shares to Mayanc Damani, 100 Equity Shares to Avinash Anandrao Solao, 100 Equity Shares to Ambrish Mishra, 1,600 Equity Shares to Yogita Mayur Kulkarni, 150 Equity Shares to Rakhi Bhalla, 50 Equity Shares to Urvashi Deepak Shah, 22,280 Equity Shares to Savita Garodia, 11,000 Equity Shares to Arun Kumar Garodia, 50 Equity Shares to Mrunal Popatlal Patel, 200 Equity Shares to Amandeep Singh, 100 Equity Shares to Pallavi Anantrao Satarkar, 100 Equity Shares to Anil Kumar Raheja, 200 Equity Shares to Manish Shantilal Mistry, 200 Equity Shares to Usha Singh, 75 Equity Shares to Rakesh, 100 Equity Shares to Nalini P Manohara, 113 Equity Shares to D V Lakshmi Ramani, 100 Equity Shares to Mehta Dhaval Hasmukh, 150 Equity Shares to Nakul Marwah, 765 Equity Shares to Ashok Premchand Sheth, 700 Equity Shares to Jagdish Premchand Sheth, 2,700 Equity Shares to Bhavin Chandrakant Zaveri (HUF), 100 Equity Shares to Prachi Shantilal Dakalia, 200 Equity Shares to Appala Reddy Bora, 950 Equity Shares to Jaydeep Arvind Kunte, 200 Equity Shares to Manas Ranjan Dash, 1,800 Equity Shares to Jasbirsingh Gobindsingh Dhawda, 200 Equity Shares to Anil Kumar Panigrahy, 3,600 Equity Shares to Nidhi Jashvantlal Vora, 563 Equity Shares to Arun Parasrampuria, 100 Equity Shares to Arunesh Sharan, 100 Equity Shares to Nisha Rani, 95 Equity Shares to Ram Gopal Verma, 100 Equity Shares to Khitab Jitendra Anand, 100 Equity Shares to Anita Ashok Bohra, 100 Equity Shares to Saras Wealth Advisors LLP, 1,000 Equity Shares to Jagdish Purshottamdas Bhavsar, 95 Equity Shares to Sumesh Seth, 15 Equity Shares to Shukla Madhavi Nitin, 30 Equity Shares to Shukla Nahush Nitin, 1,600 Equity Shares to Chinta Devi Singh, 49 Equity Shares to Medha Sanjog Ramdharne, 30 Equity Shares to Shrikant Shahu Bhoyar, 10 Equity Shares to Joshi Minakshi Sanjaybhai, 210 Equity Shares to Bhupesh Govindbhai Halai, 95 Equity Shares to Rajat Rana, 545 Equity Shares to Radhika K Kothari, 26 Equity Shares to Nishit Chetan Bhansali, 500 Equity Shares to Anup Haresh Valechha, 100 Equity Shares to Biren Yashvantrai Vakil, 10,720 Equity Shares to Girish Taparia, 1,600 Equity Shares to Pawan Kumar Gupta, 6,400 Equity Shares to Sunil Kumar Gupta, 1,600 Equity Shares to Satish Singhal, 1,600 Equity Shares to Anju Somani, 12,800 Equity Shares to Pankaj Aggarwal, 1,600 Equity Shares to Pulkit Singhal, 3,200 Equity Shares to Vasu Goel, 100 Equity Shares to Arpit Surendra Parikh, 800 Equity Shares to Purvi Ashish Kapadia, 1,824 Equity Shares to Rajesh Poddar, 87,700 Equity Shares to Ishita Todi, 2,000 Equity Shares to Tanmay Deepak Jadhav, 70 Equity Shares to Ratan Lal Kheria (HUF), 500 Equity Shares to Rajeev Kheria (HUF), 500 Equity Shares to Nitin Purushottam Tupkar, 22 Equity Shares to Jagdish Purushottam Joshi, 200 Equity Shares to Mahesh Dinesh Vasani, 40 Equity Shares to Nandlal Melaram Sharma, 200 Equity Shares to Radheshyam R Tiwari (HUF), 7,200 Equity Shares to Tapas Basu, 19,200 Equity Shares to Arif Sultan Nathani, 2,000 Equity Shares to Vistar Financiers Pvt. Ltd., 100 Equity Shares to Rishi Datta, 50 Equity Shares to Bipinkumar Bhemabhai Makwana, 1,000 Equity Shares to Pramod Madhav Shanbhag, 50 Equity Shares to Rekhaben Kirtikumar Patel, 50 Equity Shares to Jitendrakumar Moghabhai Amin, 25 Equity Shares to Patel Ami Anandkumar, 50 Equity Shares to Vibha Yogeshbhai Shah, 250 Equity Shares to Kiran Satish Marwah, 500 Equity Shares to Satish Satyapal Marwah, 60 Equity Shares to Chhaya Devi Jhunjhunwala, 400 Equity Shares to Ashok Ummedmalji Bohra, 145 Equity Shares to Neelakantan Natarajan, 200 Equity Shares to Shailesh Mehta (HUF), 1,600 Equity Shares to Alka Infrastructure Pvt. Ltd., 50 Equity Shares to Aparna Manoj Dhamane, 2,400 Equity Shares to Nilamben Surendrakumar Gandhi, 7,200 Equity Shares to Surendrakumar Jagdishlal Gandhi, 32,000 Equity Shares to Zarina Tajbhoy Vahanvaty, 100 Equity Shares to Bharat Sharan Singh, 500 Equity Shares to Mahesh Wasudeo Gosewade, 50 Equity Shares to Ashok Wasudeorao Sathawane, 100 Equity Shares to Arun Kumar Singh, 450 Equity Shares to Archana Jagadish Kothari, 250 Equity Shares to Kavita Jayendra

Ahirkar, 250 Equity Shares to Snehal Sudhakar Kulmethe, 62 Equity Shares to Tulsi Bhupesh Mahakalkar, 62 Equity Shares to Mohan Mahakalkar, 1,200 Equity Shares to Nikhil Hirachand Jain, 300 Equity Shares to Nagaraj S Hegde, 200 Equity Shares to Prakash Chhaganlal Mehta, 200 Equity Shares to Mukesh Chhaganlal Mehta, 200 Equity Shares to Chandresh Chhaganlal Mehta, 32,000 Equity Shares to Vatsala Mehta, 1,600 Equity Shares to Bhavin Maganbhai Patel, 100 Equity Shares to Ravi Kumar Jain, 50 Equity Shares to Nila Saurabh Choksi, 500 Equity Shares to Jayanti Rajmal Sanghvi, 45 Equity Shares to Manjudevi S Tomar, 100 Equity Shares to Seema Mahesh Gosewade, 8,000 Equity Shares to Vasant Amratlal Vora, 8,000 Equity Shares to Mayuri Hemendra Soni, 400 Equity Shares to Rita Ashok Bhiwapurkar, 400 Equity Shares to Ashok Kanhaiyalal Bhiwapurkar, 300 Equity Shares to Heenet Chandrakant Shah, 156 Equity Shares to Dayasharan Shetty, 500 Equity Shares to Sunil Shantaram Dhamane, 100 Equity Shares to Rohini Rajesh Dhanwate, 50 Equity Shares to Rajesh Dinkar Dhanwate, 100 Equity Shares to Dinkar Ganpat Dhanwate, 100 Equity Shares to Dhanwate Rajesh Dinkar (HUF), 50 Equity Shares to Sanskruti Rajesh Dhanwate, 70 Equity Shares to Achin Goel, 94 Equity Shares to Amee Biren Vakil, 800 Equity Shares to D Sunil Kumar, 800 Equity Shares to D Rishab Singhvi, 1,100 Equity Shares to Beesawa Securities Services Pvt. Ltd., 5 Equity Shares to Nayan Lalit Panchal, 600 Equity Shares to Pramod Kumar Kothari, 100 Equity Shares to Dharmender Goel (HUF), 50 Equity Shares to Vijaykumar Parashram Pradhan, 205 Equity Shares to Bhuneshwar Mishra, 16,000 Equity Shares to Vishwa Bhushan Kedarnath Tandon, 500 Equity Shares to Prakash Kumar Tulsyan, 200 Equity Shares to Deepika Nishant Raysoni, 200 Equity Shares to Darshana Bhavin Zaveri, 200 Equity Shares to Bhavika Vishal Papadwala, 200 Equity Shares to Sreekala Jayaprakash, 800 Equity Shares to Garima Gangwal, 1,600 Equity Shares to Sonal Parasrampuria, 1,600 Equity Shares to Minu Devi Parasrampuria, 9,600 Equity Shares to Vishal Osatwal, 30 Equity Shares to Prashant Suresh Laxmeshwar, 50 Equity Shares to Varshaa Nahar, 20 Equity Shares to Ajit Singh Ahluwalia, 32,000 Equity Shares to Murli Shyam Chaituram Gupta, 200 Equity Shares to Chandreshkumar Ramanlal Modi, 115 Equity Shares to Monika Goyal, 30 Equity Shares to Aashima Agarwal, 200 Equity Shares to Deepak Choudhary, 1,600 Equity Shares to Mahendra Kumar Jhunjhunwala, 100 Equity Shares to Dharmendra Jagvirsing Bhadoriya, 32,000 Equity Shares to Dharambir Hansraj Aggarwal, 275 Equity Shares to 3A Financial Services Ltd., 1,600 Equity Shares to Neetu Ajay Agrawal, 400 Equity Shares to Ankita Jain, 1,600 Equity Shares to Aayushi Khandelwal, 400 Equity Shares to Trilokchand Surajbhan Agarwal (HUF), 800 Equity Shares to Kishore Kumar Agarwal, 4,000 Equity Shares to Hoded Abbas Bhatia, 1,600 Equity Shares to Varsha Bahl, 80 Equity Shares to B B Singh, 1,600 Equity Shares to Zuzer Mohamedhusain Bahrainwala, 800 Equity Shares to Subray P. Bhat, 400 Equity Shares to Prakash Kumar Baglodi, 400 Equity Shares to Saroj Devi Bhansaly, 200 Equity Shares to Sayeeda Zuzer Bahrainwala, 800 Equity Shares to Shyamsundar Mahabaleshwar Bhat, 800 Equity Shares to Pooja Haresh Bhansali, 1,000 Equity Shares to Swati Shrikrishna Bhagwat, 80,000 Equity Shares to Canara Workshops Ltd., 80 Equity Shares to A K Basu, 1,600 Equity Shares to Gita Chandak, 1,600 Equity Shares to Arun Kumar Chandak, 46,400 Equity Shares to Mahendra Kantilal Deliwala, 46,400 Equity Shares to Shantilal Chhotalal Deliwala, 41,600 Equity Shares to Detinners Pvt. Ltd., 1,600 Equity Shares to Mukesh Damani, 300 Equity Shares to Udit Kumar Dugar, 100 Equity Shares to Gosavi Darshna Dashrath, 2,400 Equity Shares to Mahesh Kumar Damani, 4,456 Equity Shares to Jainulabedin Hakimuddin Dohadwala, 4,456 Equity Shares to Najmuddin Hakimuddin Dohadwala, 1,000 Equity Shares to Hitesh N Dharawat, 16,000 Equity Shares to Electrosteel Casting Ltd., 400 Equity Shares to Pradeep Krishna Ellankar, 8,320 Equity Shares to Ramgopal Garodia, 400 Equity Shares to Surendrakumar Jagdishlal Gandhi, 400 Equity Shares to Kamalakar Ishwar Hedge, 400 Equity Shares to Prabhakar Shripal Hedge, 100 Equity Shares to Nagraj Santaram Hegde, 192,000 Equity Shares to J. K. Traders Ltd., 16,000 Equity Shares to Darshan Lal Jaggi, 32,000 Equity Shares to Bhagwantrai Brijlal Jindal, 31,600 Equity Shares to Moiz K. Jiruwala, 4,800 Equity Shares to Nawal Kishore Jalan, 1,600 Equity Shares to Manish P. Jain, 1,600 Equity Shares to Sushma Jain, 3,200 Equity Shares to Rahul Jain, 1,600 Equity Shares to Sajjan Kumar Jhunjhunwala (HUF), 400 Equity Shares to Chandra Kumar Jain (HUF), 400 Equity Shares to Arkin Jain (Minor), 800 Equity Shares to Rahul Jain, 4,000 Equity Shares to Jaivardhan Jain, 2,000 Equity Shares to Malviya Neeta Jaideo, 16,000 Equity Shares to Ashok Kumar Khaitan, 48,000 Equity Shares to Shreelekha Harish Khot, 30,400 Equity Shares to Narayan Dev Kunder, 1,600 Equity Shares to Mamillapalli Arun Kiran, 1,600 Equity Shares to Keventor Leather Pvt. Ltd., 1,600 Equity Shares to Renukaben Nareshkumar Khatri, 400 Equity Shares to Jaikumar Krishnan, 400 Equity Shares to Anand Kumar Kathotia, 1,400 Equity Shares to Nirmal Kumar Pradeep Kumar (HUF), 1,600 Equity Shares to Vilas L Kamble (HUF), 1,600 Equity Shares to Pranav Kheria, 400 Equity Shares to Manoj Kumar, 200 Equity Shares to Anaghan Ketanbhai, 1,200 Equity Shares to Leela Kalamkar, 500 Equity Shares to Anushree Sanjay Lokur, 32,000 Equity Shares to Malhotra International Pvt. Ltd., 32,000 Equity Shares to Adil Shareef Moloobhoy, 4,000 Equity Shares to Amina Khozem Millwala, 1,600 Equity Shares to Saroj D. Mehta, 1,600 Equity Shares to Dilip S. Mehta, 1,600 Equity Shares to Deepali D. Mehta, 1,600 Equity Shares to Vipul Chand Mehta, 100 Equity Shares to M/S Mukund Capital, 3,200 Equity Shares to Krishna Mandhana, 800 Equity Shares to Sunita Mohata, 32,000 Equity Shares to Riyaaz Makaney, 9,600 Equity Shares to Tushar H. Nanavati, 32,000 Equity Shares to Hemaxi Nanavati, 9,600 Equity Shares to Rahat A. Nathani, 9,600 Equity Shares to Shaheen A. Nathani, 400 Equity Shares to Nandini Jain (Minor), 400 Equity Shares to Narayan V Hegde, 4,000 Equity Shares to P Nalini, 800 Equity Shares to Nitin Sanjay Narke, 11,200 Equity Shares to Ricky Osatwal, 8,000 Equity Shares to Sanjay Kumar Osatwal, 31,625,200 Equity Shares to President of India, 41,600 Equity Shares to Vasant Bipin Paymaster, 2,400 Equity Shares to Rupesh Poddar, 9,600 Equity Shares to Rajendra Prasad Poddar, 8,000 Equity Shares to Ravindra Prasad Poddar, 400 Equity Shares to Jagadish Chandra Morarji Patel, 3,200 Equity Shares to Leenaben A. Patel, 3,600 Equity Shares to Pranay Arunprashad Patel, 6,000 Equity Shares to Poonam Pranay Patel, 4,800 Equity Shares to Deval Rahul Patel, 1,600 Equity Shares to Dhyanesh Bhagubhai Patel, 800 Equity Shares to Kamalakar Devappa Patgar, 1,824 Equity Shares to Prakash Chandra Poddar, 2,048 Equity Shares to Vinod Hiralal Poddar, 3,200 Equity Shares to Nishant Prabhakar Patil, 200 Equity Shares to Bhupendrabhai Manharbhai Patel, 768 Equity Shares to Abhisek Kumar Poddar, 400 Equity Shares to Kaushik Amulakhbhai Parikh, 400 Equity Shares to Amita Kaushik Parikh, 800 Equity Shares to Rutwa Paresh Parikh, 768 Equity Shares to Ashish Kumar Poddar, 100 Equity Shares to Hosdurg Ambarish Pai, 100 Equity Shares to Gosavi Dashrath Pandurang, 400 Equity Shares to Mandar Kamlakar Patil, 21,200 Equity Shares to Samala Prabhavathi, 800 Equity Shares to Shobhana Parikh, 80 Equity Shares to Subrata Kumar Ray, 1,600 Equity Shares to Rohit Singh, 30,400 Equity Shares to Samala Subba Reddy, 20,400 Equity Shares to Bade Srinivasa Reddy, 1,600 Equity Shares to Kishore Kr. Sabherwal, 32,000 Equity Shares to Zainuddin Kamruddin Sadicote, 30,400 Equity Shares to Pradeep Kumar Sharma, 4,800 Equity Shares to

Arabindra Singh, 16,000 Equity Shares to Singh Engineering Works Pvt. Ltd., 9,600 Equity Shares to Ganga Devi Singh, 4,800 Equity Shares to Jitendra Singh, 4,800 Equity Shares to Narendra Singh, 41,600 Equity Shares to Narendra Singh Hargopal Singh, 4,800 Equity Shares to Rabindra Singh, 3,200 Equity Shares to Vijay Shankar Surekha, 320,000 Equity Shares to Steel Authority of India Ltd., 1,600 Equity Shares to Rajan Sabherwal, 80 Equity Shares to Suraj Bhan, 1,600 Equity Shares to Hemal Haresh Shah, 1,600 Equity Shares to Shirish Kumar Jivanlal Shah, 800 Equity Shares to Arun Kumar Singhania (HUF), 8,300 Equity Shares to Akshat M. Shah, 1,600 Equity Shares to Ramesh Chand Singh, 1,600 Equity Shares to Anita Singh, 1,600 Equity Shares to Laxmi Devi Singh, 1,600 Equity Shares to Santosh Kumar Singh, 1,600 Equity Shares to Deepa Singh, 1,600 Equity Shares to Shreekant Sharma, 1,600 Equity Shares to Shah Lalit Rasiklal, 800 Equity Shares to Sailesh Mahasukhlal Shah, 400 Equity Shares to Sonal Vimal Shah, 1,600 Equity Shares to Sixth Dimension Infrastructure Ltd., 400 Equity Shares to Bhaskar N. Shastri, 400 Equity Shares to Ravi Parameshwar Shastri, 800 Equity Shares to S. Anuja, 8,000 Equity Shares to Saroj Ganeriwal, 400 Equity Shares to Sujata Sharma, 1,600 Equity Shares to Pradnya Yogin Sabnis, 27,200 Equity Shares to Kishore Kumar Sabherwal, 400 Equity Shares to Singaravelu, 100 Equity Shares to Megha Singla, 1,200 Equity Shares to Rashmi Singh, 400 Equity Shares to Rakshaben S Shah, 400 Equity Shares to Harshil Shaw, 400 Equity Shares to Pratibha Shaw, 400 Equity Shares to Mahesh Kumar Soni, 200 Equity Shares to Harshida S Shah, 51,600 Equity Shares to Pradeep Kumar Sharma, 5,000 Equity Shares to Rayomand Maneck Shaw, 32,000 Equity Shares to Yusufali Taherali, 80,000 Equity Shares to Tata Motors Ltd., 41,600 Equity Shares to Yusufalli Tayeballi Dahodwala, 240,000 Equity Shares to Texmaco Limited, 80 Equity Shares to S.K. Tripathi, 3,200 Equity Shares to Sharad Tandon, 1,600 Equity Shares to Mahesh Kumar Vashram Thumar, 100 Equity Shares to Ashok Thakkar, 2,500 Equity Shares to Anasuya Udani, 1,600 Equity Shares to Jamnadas Hansraj Vasoya, 100 Equity Shares to G.K. Venkateswari, 400 Equity Shares to Vinaya Gangadhar Hegde, 400 Equity Shares to Vighneshwar Narasimha Hegde.

2. Except the allotment of bonus shares by our Company as mentioned in the Note 1 of the Capital Structure table on page 62 of this Red Herring Prospectus wherein no consideration was received by our Company, our Company has not issued any Equity Shares for consideration other than cash. Further, our Company has not issued any Equity Shares out of revaluation of reserves since its incorporation.

3. Our Company has not allotted any shares in terms of any scheme approved under Sections 391 - 394 of the Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013.

4. Our Company has not made any issue of specified securities at a price that may be lower than the Offer Price during the preceding one (1) year from the date of this Red Herring Prospectus.

5. **History of Build-up of Promoter's Contribution and Lock-in of Promoter's shareholding**:

As on date of this Red Herring Prospectus, our Promoter along with its nominees holds 63,251,200 Equity Shares, equivalent to 89.85% of the issued, subscribed and paid-up Equity Share capital of our Company.

(a) ***Build-up of our Promoter's shareholding in our Company:***

Date of Allotment / Date of Registration of Transfer and made fully paid up	**Number of Equity Shares***	**Face Value in (₹)**	**Issue/ Acquisition Price per Equity Share (in ₹)**	**Form of consideration**	**Nature of Issue**	**Percentage of total pre- and post Offer paid- up capital**
May 21, 1982	67,465[(1)]	100	NA	-	Transfer of Equity Shares from SAIL	0.96
September 2, 1983	245[(2)]	100	25	Cash	Forfeited shares reissued	0.00
September 5, 1983	40[(3)]	100	100	Cash	Transfer of Equity Shares from Om Prakash Tantia	0.00
September 5, 1983	700[(3)]	100	100	Cash	Transfer of Equity Shares from Bhartia Electric Steel Company Limited	0.01
May 24, 1984	380[(4)]	100	25	Cash	Forfeited shares reissued	0.01
March 31, 1986	30,000[(5)]	100	100	Cash	Further Allotment	0.43
January 27, 1992	988,300	10	NA	Sub-division of Equity Shares of	-	

				face value of ₹ 100 into ₹ 10 each		
February 2, 1994	988,300	10	NA	NA	Bonus issue in the ratio of 1:1	1.40
September 26, 2012	5,929,800	10	NA	NA	Bonus issue in the ratio of 3:1	8.42
July 22, 2016	7,906,400	10	NA	NA	Bonus issue in the ratio of 1:1	11.23
May 19, 2017	15,812,800	10	NA	NA	Bonus issue in the ratio of 1:1	22.46
January 11, 2019	31,625,600	10	NA	NA	Bonus issue in the ratio of 1:1	44.92
Total	**63,251,200**					**89.85**

**The Equity Shares held by our Promoter along with its nominees were fully paid-up on the respective dates of acquisition and/or allotment of such Equity Shares in accordance with the calls made by the Company.*

(1) 67,465 Equity Shares held by SAIL were transferred to our Promoter pursuant to the board resolution dated May 21, 1982. We have not been able to ascertain the acquisition price and the nature of consideration due to the non availability of the share transfer deed for the said transfer in the records of our Company. For further information, please refer to the risk factor "Certain corporate and secretarial records of our Company are not traceable and some of our corporate records contain discrepancies" under section titled 'Risk Factors' on page 31 of this Red Herring Prospectus.

(2) 245 Equity Shares of ₹ 100 each having paid up value of ₹ 75 each held by 4 shareholders were forfeited by the Board in their meeting held on May 21, 1982 and were re-issued to our Promoter vide circular resolution dated September 2, 1983.

(3) 740 Equity Shares comprising of 700 Equity Shares which was held by Bhartia Electric Steel Company Limited and 40 Equity Shares held by Om Prakash Tantia of ₹ 100 each having a paid up value of ₹ 75 per Equity Share were transferred to our Promoter on the payment of ₹ 75 per Equity Share. Our Promoter paid the remaining ₹ 25 per Equity Share to the Company.

(4) 380 Equity Shares of ₹ 100 each having a paid up value of ₹ 75 per Equity Share were forfeited on account of non payment of final call on the share vide a circular resolution dated September 21, 1983. The said Equity Shares were re-issued to our Promoter by the Board at the price of ₹ 25 per Equity Share being the unpaid amount remaining on the share and were allotted on May 24, 1984.

(5) Allotment of 30,000 no. of Equity Shares of ₹ 100 each to our Promoter as fully paid up pursuant to the special resolution passed in the general meeting dated September 24, 1985. Form for the allotment of such shares is not traceble. For further information, please refer to risk factor -"Certain corporate and secretarial records of our Company are not traceable and some of our corporate records contain discrepancies" under section titled 'Risk Factors' on page 31 of this Red Herring Prospectus.

(b) Pledge of Equity Shares

As on the date of filing of this Red Herring Prospectus, none of the Equity Shares held by the Promoter have been pledged or otherwise encumbered.

(c) Details of Promoter's contribution locked in:

As per Regulations 14(1) and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer equity share capital of our Company held by our Promoter shall be considered as promoter's contribution and locked in for a period of three (3) years from the date of Allotment ("**Promoter's Contribution**") and the balance portion shall be locked in for a period of one(1) year from the date of Allotment.

The MoS, pursuant to its letter bearing file number D.O. No. 3(1)/2010-MF (Part) dated January 30, 2019, granted consent to include 14,080,000 Equity Shares held by them, as Promoter's Contribution and have agreed not to sell transfer, charge or pledge or otherwise encumber / dispose off in any manner the Promoter's Contribution from the date of the Draft Red Herring Prospectus until the commencement of lock-in period specified above.

Details of the Equity Shares to be locked-in for three (3) years from the date of Allotment as minimum Promoter's contribution are set forth in the table below:

Date of allotment/ transfer of Equity Shares	No. of Equity Shares locked – in	Face value per Equity Share (₹)	Issue/ Acquisition price per Equity Share (₹)	Nature of Transaction	% of post-Offer Capital
January 11, 2019	14,080,000	10.00	NA	Bonus issue in the ratio of 1:1	20.00
Total	**14,080,000**				**20.00**

All Equity Shares, which are considered for the purposes of the Promoter's Contribution, are eligible in terms of Regulation 15 of the SEBI ICDR Regulations.

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from the 'Promoter' as required under the SEBI ICDR Regulations. All Equity Shares offered as minimum Promoters' contribution were either fully paid up or partly paid-up at the time of their issue.

In this connection, our Company confirms that the Equity Shares which are being locked-in do not, and shall not, consist of:

(i) The Equity Shares offered acquired in the preceeding three (3) years from the date of the Draft Red Herring Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets;

(ii) The Equity Shares resulting from the bonus issue by utilization of revaluation reserves or unrealized profits of our Company or from bonus issue against Equity Shares which are otherwise ineligible for computation of minimum promoters' contribution.

(iii) The Equity Shares acquired during the immediately preceding one (1) year at a price lower than the price at which Equity Shares are being offered to the public in this Offer;

(iv) The Equity Shares offered for Promoter's Contribution have not been formed by the conversion of partnership firm into a company; and

(v) The Equity Shares offered for Promoter's Contribution are not subject to any pledge or any other form of encumbrance.

The Equity Shares held by the Promoter and its nominees are in dematerialized form.

(d) Details of other equity share capital locked-in for one (1) year:

In terms of Regulation 17 of SEBI ICDR Regulations and in addition to the above Equity Shares (forming part of the Promoter's Contribution) that are locked-in for three (3) years, the entire pre-Offer share capital of our Company excluding the Offered Shares sold in this Offer for Sale, will be locked-in for a period of one (1) year from the date of Allotment in this Offer.

(e) Other requirements in respect of lock-in:

In terms of Regulation 21 of SEBI ICDR Regulations, Equity Shares held by our Promoter which are locked in for a period of one (1) year may be pledged as a collateral security for a loan granted by a scheduled commercial banks or public financial institution or a systematically important non-banking finance company or a housing finance company, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan;

Provided that the Equity Shares are locked-in as Promoter's contribution for three (3) years under Regulation 16(a) of the SEBI ICDR Regulations, then in addition to the above requirement, such shares may be pledged only if the loan has been granted by a scheduled commercial bank, a public financial institution, a Systemically Important Non-Banking Finance Company or a housing finance company for the purpose of financing one or more of the objects of this Offer.

6. Shareholding Pattern of our Company as on the date of this Red Herring Prospectus:

The table below presents the equity shareholding of our Company as on March 1, 2019:

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying Depository Receipts (VI)	Total no. of shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of 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 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 dematerialised form (XIV)
								No of Voting Rights Class – Equity Shares	Total as a % of (A+B+C)			No. (a) As a % of total Shares held (b)	No. (a) As a % of total Shares held (b)	
(A)	**Promoter and Promoter Group***	6*	63,251,200	-	-	63,251,200	89.85	63,251,200	89.85	-	-	-	-	63,251,200
(B)	**Public**	649	7,148,800	-	-	7,148,800	10.15	7,148,800	10.15	-	-	-	-	5,666,747
(C)	**Non-Promoter-Non-Public**	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	**Shares underlying DRs**	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	**Shares held by Employee Trusts**	-	-	-	-	-	-	-	-	-	-	-	-	-

(C3)	**Shares underlying ESOP's**	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**655**	**70,400,000**	**-**	**-**	**70,400,000**	**100**	**70,400,000**	**100**	**-**	**-**	**-**	**-**	**68,917,947**

**The Promoter and Promoter Group category includes 63,250,400 Equity Shares held by President of India and 160 Equity Shares each held by Bam Bahadur Singh, Promodita, Subrata Sarkar, Bhanu Kumar and Ajay Kumar Rai as nominees of the President of India.*

Our Company will file the shareholding pattern, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity Shares. The shareholding pattern will be provided to the Stock Exchanges for uploading on the website of Stock Exchanges before the commencement of trading of the Equity Shares.

7. Our Company has not issued any preference shares since its incorporation and hence, there are no outstanding preference shares as on the date of this RHP.

8. The list of major shareholders of our Company and the number of Equity Shares held by them is as under:

a) *Name of shareholders holding 1% or more of paid-up share capital of the Company and the number of Equity Shares held by them as on March 1, 2019 being the last Friday before filing of this Red Herring Prospectus:*

Name of the Shareholders	Number of Equity Shares	% of pre-Offer Share Capital
The President of India	63,251,200*	89.85

**Inclusive of 800 Equity Shares held by nominees of our Promoter.*

b) *Name of shareholders holding 1% or more of paid-up share capital of the Company and the number of Equity Shares held by them ten (10) days before the date of filing of this Red Herring Prospectus:*

Name of the Shareholders	Number of Equity Shares	% of pre-Offer Share Capital
The President of India	63,251,200*	89.85

**Inclusive of 800 Equity Shares held by nominees of our Promoter.*

c) *Name of shareholders holding 1% or more of paid-up share capital of the Company and the number of Equity Shares held by themone (1) year before the date of filing this Red Herring Prospectus:*

Name of the Shareholders	Number of Equity Shares	% of pre-Offer Share Capital
The President of India	31,625,600*	89.85%

** Inclusive of 400 Equity Shares held by nominees of our Promoter.*

d) *Name of shareholders holding 1% or more of paid-up share capital of the Company and the number of Equity Shares held by them as on two (2) years before the date of filing of this Red Herring Prospectus:*

Name of the Shareholders	Number of Equity Shares	% of pre-Offer Share Capital
The President of India	15,812,800*	89.85%

** Inclusive of 200 Equity Shares held by nominees of our Promoter.*

9. The Offer includes a reservation of up to 70,400 Equity Shares aggregating to ₹ [●] million for subscription by Eligible Employees. The Offer less Employee Reservation Portion is referred to as the Net Offer. The Offer and the Net Offer will constitute 25.10% and 25.00% respectively, of the post Offer paid-up Equity Share capital of our Company. Employee Reservation Portion has been reserved for allocation to Eligible Employees on a proportionate basis, subject to valid Bids being received at this Offer Price and subject to the maximum Bid Amount by each Eligible Employee not exceeding ₹ 500,000 on a net basis. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000 (which will be less Employee Discount). Only in the event of an under-subscription in the Employee Reservation Portion post the initial allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000 (which will be less Employee Discount). Only Eligible Employees are eligible to apply in this Offer under the Employee Reservation Portion. Bids by Eligible Employees bidding under the Employee Reservation Portion may also be made in the Net Offer and such Bids will not be treated

as multiple Bids. If the aggregate demand in the Employee Reservation Portion is greater than 70,400 Equity Shares at this Offer Price, allocation will be made on a proportionate basis.

10. Neither our Promoter nor our Directors and their immediate relatives have purchased or sold any Equity Shares during the period of six (6) months immediately preceding the date of filing of this Red Herring Prospectus.

11. The list of Directors and the KMPs who hold Equity Shares in our Company are as follows:

Name of the Shareholders#	Designation	Number of Equity Shares	Percentage of the pre-Offer Equity Share Capital (%)	Percentage of the post-Offer of Equity Share Capital (%)
Bam Bahadur Singh as a Nominee of the President of India	Chairman & Managing Director	160	Negligible	Negligible
Bhanu Kumar as a Nominee of the President of India	Director (Commercial) Whole Time Director	160	Negligible	Negligible
Subrata Sarkar as a Nominee of the President of India	Director (Finance) & CFO Whole Time Director	160	Negligible	Negligible
Promodita as a Nominee of the President of India	Government Nominee Director	160	Negligible	Negligible
Ajay Kumar Rai as a Nominee of the President of India	Company Secretary and Compliance Officer	160	Negligible	Negligible

12. The total number of Shareholders as on March 1, 2019 is 655.

13. Our Company, our Directors and the BRLM has not entered into any buyback arrangements for purchase of Equity Shares from any person.

14. As on the date of this Red Herring Prospectus, the BRLM (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) and/or its associates do not hold any Equity Shares. The BRLM and its affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company and/or our Subsidiary, for which they may in the future receive customary compensation.

15. There will be only one denomination of the Equity Shares, unless otherwise permitted by law.

16. There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of this Red Herring Prospectus with the SEBI until the Equity Shares have been listed on the Stock Exchanges.

17. There has been no financing arrangement by which the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of business of the financing entity during the period of six (6) months immediately preceding the date of filing of this Red Herring Prospectus with the SEBI.

18. There are no partly paid Equity Shares as on the date of this Red Herring Prospectus and all the Equity Shares, including the Equity Shares being offered in this Offer for Sale, are fully paid-up.

19. Neither our Company currently have any employee stock option scheme / employee stock purchase

scheme for our employees nor our Company has issued any Equity Shares or granted any option under employee stock option scheme / employee stock purchase scheme for our employees.

20. The Offer is being made pursuant to rule 19(2)(b) of SCRR read with Regulation 31 of the SEBI ICDR Regulations. Our Company is eligible for this Offer in accordance with Regulation 6(2) of the SEBI ICDR Regulations. Further, this Offer is being made through the Book Building Process where in not less than 75% of the Net Offer shall be available for allocation to QIBs on a proportionate basis. 5% of the QIB Portion shall be available on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation to all QIBs including Mutual Funds, subject to valid Bids being received at or above this Offer Price. Further, not more than 15% of the Net Offer will be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Net Offer will be available for allocation to Retail Individual Bidders, subject to valid Bids being received at or above this Offer Price. The allotment of Equity Shares to each Retail Individual Bidder shall not be less than minimum Bid Lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on proportionate basis.

21. Our Company has not made any public issue of its Equity Shares or rights issue of any kind or class of securities since its incorporation.

22. Our Company presently does not intend or propose to alter its capital structure for a period of six (6) months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise. Provided further that if our Company enters into acquisitions or joint ventures or if the business needs otherwise arise, we may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares for participation in such acquisitions or joint ventures or other arrangements.

23. No person connected with this Offer shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid except for fees or commission for services rendered in relation to the Offer.

24. There are no outstanding convertible securities or any other right which would entitle any person any option to receive Equity Shares after this Offer, except the bonus shares allotted vide board resolution dated January 11, 2019 to such shareholders' who were entitled to the bonus shares but were holding shares in the physical form.

25. Our Company shall ensure that transactions in the Equity Shares by our Promoter between the date of registering the Red Herring Prospectus with the RoC and the Bid/Offer Closing Date, if any, shall be reported to the Stock Exchanges within twenty-four (24) hours of such transaction.

26. Except to the extent of tendering Equity Shares in this Offer as the Selling Shareholder, our Promoter will not participate in this Offer.

27. In accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Share will be Allotted under the Offer shall not be less than 1,000 failing which the entire application money will be refunded.

28. No payment, direct or indirect in the nature of discount, commission and allowance or otherwise shall be made either by us or our Promoter to the persons who are Allotted Equity Shares.

29. All Equity Shares issued pursuant to the Offer will be fully paid at the time of Allotment.

OBJECTS OF THE OFFER

The objects of this Offer are:

(i) to carry out the disinvestment of 17,670,400 Equity Shares by the Selling Shareholder in our Company constituting 25.10% of our Company's pre-Offer paid up Equity Share capital; and

(ii) to achieve the benefits of listing the Equity Shares on the Stock Exchanges.

Our Company will not receive any proceeds from the Offer and all proceeds shall go to the Selling Shareholder.

Offer related expenses:

The total expenses of this Offer are estimated to be approximate ₹ [●] million.

The expenses of this Offer include fees payable to the BRLM and legal counsel, fees payable to the auditors, brokerage and selling commission, underwriting commission, commission payable to Registered Brokers, SCSBs' fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other expenses for listing the Equity Shares on the Stock Exchanges.

All Offer related expenses shall be borne by the Selling Shareholder through the DIPAM. However, expenses in relation to: (i) the filing fees to SEBI; (ii) NSE/ BSE charges for use of software for the book building; (iii) payments required to be made to Depository or the Depository Participants for transfer of Offered Shares to the beneficiaries account; and (iv) payments required to be made to Stock Exchange for initial processing, filling and listing of Equity Shares would be paid by BRLM and would be reimbursed by our Company or DIPAM as per actuals against an invoice; and printing and stationery expenses, shall be borne by the BRLM; (v) cost of preparation of statutory advertisements shall be borne by the BRLM; and (vi) the cost of publication shall be borne by the Selling Shareholder. Payments, if any, made by our Company in relation to this Offer shall be on behalf of the Selling Shareholder and such payments will be reimbursed to our Company by the Selling Shareholder.

The break-up of estimated Offer expenses are as under:

S. No.	Activity	Estimated amount* (₹ in million)	As a % of total estimated Offer expenses*	As a % of Offer size*
1.	Payment to BRLM (including underwriting commission, brokerage, selling commission printing and distribution of Offer	[●]	[●]	[●]
2.	Commission and processing fees for SCSBs (1)(2) and Sponsor Bank(5)	[●]	[●]	[●]
3.	Brokerage, bidding charges and selling commission for Syndicate Member, Registered Brokers, RTAs and CDPs (3)(4)	[●]	[●]	[●]
4.	Fees payable to the Registrar to the Offer and other related fees	[●]	[●]	[●]
5.	Legal advisors to the Offer	[●]	[●]	[●]
6.	Advertising and marketing for this Offer	[●]	[●]	[●]
7.	Regulators including Stock Exchanges (including SEBI filing fees)	[●]	[●]	[●]
8.	Others, if any	[●]	[●]	[●]
	Total estimated Offer expenses	[●]	[●]	[●]

**To be incorporated in the Prospectus after finalisation of the Offer Price.*

(1)Selling commission payable to the SCSBs on the portion for Retail Individual Bidders, Eligible Employees and Non-Institutional Bidders, which are directly procured by them would be as follows:

Portion for Retail Individual Investors	*0.35% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Investors	*0.15% of the Amount Allotted* (plus applicable taxes)*
Portion for Eligible Employees	*0.25% of the Amount Allotted* (plus applicable taxes)*

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.

The Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

(2) *SCSBs will be entitled to a processing fee of ₹ 10 (plus applicable taxes), per valid ASBA Form, subject to total ASBA Processing Fees being maximum of ₹ 1.0 million (plus applicable taxes), for processing the ASBA Forms procured by the members of the Syndicate, Sub-Syndicate, Registered Brokers, RTAs or CDPs from Retail Individual Bidders (excluding applications made by Retail Individual Investors using the UPI mechanism), Non-Institutional Bidders and Eligible Employees and submitted to the SCSBs. In case the total ASBA processing charges payable to SCSBs exceeds ₹ 1.0 million, then the amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total ASBA processing charges payable does not exceed ₹ 1.0 million.*

(3) *Brokerages, selling commission and processing/uploading charges on the portion for Retail Individual Bidders, Eligible Employees and Non-Institutional Bidders which are procured by members of Syndicate (including their Sub-Syndicate Members), RTAs and CDPs would be as follows:*

Portion for Retail Individual Investors	*0.35% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Investors	*0.15% of the Amount Allotted* (plus applicable taxes)*
Portion for Eligible Employees	*0.25% of the Amount Allotted* (plus applicable taxes)*

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number /series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

The payment of Selling Commission payable to the sub-brokers / agents of Sub-Syndicate Members are to be handled directly by the respective Sub-Syndicate Member.

The Selling Commission payable to the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

No additional bidding charges shall be payable by the Company and the Selling Shareholder to the Syndicate / Sub-Syndicate Members, Registered Brokers, RTAs, CDPs or SCSBs on the applications directly procured by them.

The Bidding charges payable to the Syndicate / Sub-Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

(4) *Selling commission payable to the Registered Brokers on the portion for Retail Individual Bidders, Eligible Employees and Non-Institutional Bidders which are directly procured by the Registered Brokers and submitted to SCSB for processing would be as follows:*

Portion for Retail Individual Bidders	*₹10 per valid Bid cum Application Form * (plus applicable taxes)*
Portion for Non-Institutional Bidders	*₹10 per valid Bid cum Application Form * (plus applicable taxes)*
Portion for Eligible Employees	*₹10 per valid Bid cum Application Form * (plus applicable taxes)*

**Based on Valid Applications*

The total selling commission payable to Registered Brokers on the portion for Retail Individual Bidders, Non-Institutional Bidders and Eligible Employees which are directly procured by the Registered Brokers and submitted to SCSB for processing will be subject to a maximum cap of ₹ 0.10 million (plus applicable taxes). In case the total selling commission payable to Registered Brokers exceeds ₹ 0.10 million, then the amount payable to Registered Brokers would be proportionately distributed based on the number of valid applications such that the total selling commission payable does not exceed ₹ 0.10 million.

(5) *Processing fees for applications made by Retail Individual Bidders using the UPI mechanism will be as under:*

Members of the Syndicate /RTAs / CDPs	*₹ 10 per valid Bid cum Application Form * (plus applicable taxes)*
Sponsor Bank	*₹ 8 per valid Bid cum Application Form * (plus applicable taxes)* *The Sponsor Bank shall be responsible for making payments to the third parties such as Remitter Bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws.*

** For each Valid Application*

The total processing fees payable to Members of the Syndicate/RTS/CDPs and Sponsor Bank on the portion for Retail Individual Bidder using the UPI mechanism, will be subject to a maximum cap of ₹ 0.10 million (plus applicable taxes). In case the total processing fees payable to Members of the Syndicate/RTS/CDPs and Sponsor Bank exceeds ₹ 0.10 million, then the amount payable would be proportionately distributed based on the number of valid applications such that the total processing fees payable does not exceed ₹ 0.10 million.

Interim Use of Funds

As all proceeds shall go to the Selling Shareholder, hence there will be no interim use of the funds.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholder in consultation with the BRLM, on the basis of assessment of market demand for the Offered Shares through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and this Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to the sections titled "*Risk Factors*", "*Our Business*", "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 25, 117, 169 and 227 of this Red Herring Prospectus, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Competitive Strengths

We believe the following are our strengths which form the basis for computing the Offer Price are:

1. One of the leading PSU entities engaged in providing e-commerce services to customers in a most transparent, fair and secured manner;
2. Ability to create a virtual marketplace for any physical commercial activity thereby creating value for all the stakeholders;
3. First mover advantage on account of domain expertise in providing e-commerce services thereby helping to boost our business;
4. Robust, advanced and scalable technology platform; and
5. Experienced management team and qualified workforce.

For further details please refer to the section titled, "*Our Business – Our Strengths*" on page 119 of this Red Herring Prospectus.

Quantitative Factors

The information presented below relating to our Company is based on the Restated Financial Statements.

For details, please refer to the section titled "*Financial Statements*" on page 169 of this Red Herring Prospectus.

Some of the quantitative factors which may form the basis for computing the Offer Price, are as follows:

1. Basic and Diluted Earnings Per Share ("EPS"), as adjusted for changes in capital:

As per our Restated Financial Statement:

Financial Year ended / Period ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
2016	(35.10)	(35.10)	1
2017	19.77	19.77	2
2018	(0.92)	(0.92)	3
Weighted Average	**0.28**	**0.28**	
Half year period ended on September 30, 2018*	(2.26)	(2.26)	

** Not annualized*

Note:

(i) The face value of each Equity Share is ₹ 10.

(ii) Basic EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares outstanding at the end of the period/year adjusted for bonus approved after the period ended September 30, 2018.

(iii) *Diluted EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares outstanding at the end of the period/year adjusted for bonus approved after the period ended September 30, 2018.*

(iv) *The EPS has been calculated in accordance with Indian Accounting Standard 33 – "Earnings per Share" prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act.*

2. Price/ Earning (P/E) ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share:

Sr. No.	Particulars	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)
1.	Based on basic EPS for Financial Year 2018 on Restated Financial Statements	[●]	[●]
2.	Based on diluted EPS for Financial Year 2018 on Restated Financial Statements	[●]	[●]

3. Average Return on Net Worth ("RoNW"):

As per the Restated Financial Statements:

Financial Year ended/ Period ended	RoNW (%)	Weight
2016	(78.53)	1
2017	34.27	2
2018	(1.77)	3
Weighted Average	**(2.55)**	
Half year period ended on September 30, 2018*	(4.84)	

** Not annualized*

Note:

(i) *Return on Net Worth has been computed as Net Profit after tax as restated divided by Net Worth as restated at the end of the period/ year.*

(ii) *Net Worth for Equity Shareholders has been computed as sum of share capital and reserves and surplus (includes Securities Premium and Surplus / (Deficit) in Restated Statement of Profit & Loss).*

4. Minimum Return on Net Worth after this Offer needed for maintaining Pre-Offer EPS for the year ended March 31, 2018:

There will be no change in Net Worth post this Offer, as this Offer is by way of Offer for Sale by the Selling Shareholder.

5. Net Asset Value ("NAV") per Equity Share, as adjusted for changes in capital:

Financial Year ended/Period ended	NAV (₹)
2018	52.01
Half year period ended on September 30, 2018	46.58
Offer Price	₹ [●] per Equity Share

There will be no change in NAV post this Offer as this Offer is by way of Offer for Sale by the Selling Shareholder.

Note:

Net Asset Value per Equity Share has been computed as Net Worth for Equity Shareholders divided by the total number of Equity Shares outstanding at the end of the period/year adjusted for bonus approved after the period ended

September 30, 2018.

6. Comparison of accounting ratios with Industry Peers

As on the date of this Red Herring Prospectus, there are no listed companies in India which are engaged in the same line of business as our Company and comparable to our scale of operations, hence comparison with industry peers are not applicable.

7. The Offer price is [●] times of the face value of the Equity Shares.

The Offer Price of ₹ [●] has been determined by our Company and the Selling Shareholder, in consultation with the BRLM on the basis of the demand from investors for the Equity Shares through the Book-Building Process and is justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with the sections titled "*Risk Factors*", "*Our Business*", "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and on pages 25, 117, 169 and 227, respectively of this Red Herring Prospectus, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in the section titled *"Risk Factors"* on page 25 of this Red Herring Prospectus and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

Date: January 29, 2019

To,

The Board of Directors
MSTC Limited
A Government of India Undertaking – Ministry of Steel,
225-C, A.J.C. Bose Road,
Kolkata – 700020,
West Bengal
India

Sub: Statement of possible Special tax benefit ('the Statement') available to MSTC Limited ('the Company) and its shareholders and its material subsidiaries prepared in accordance with the requirements under Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the 'Regulations') as amended.

1. This report is issued in accordance with the terms of our engagement letter dated November 26, 2018.

2. The accompanying Statement of Special Tax Benefits available to the Company and its subsidiary Ferro Scrap Nigam Limited (referred to as 'material subsidiary') (the Company and material subsidiary together referred to as the 'Group') and its shareholders under the Income Tax Act, 1961 (the "Act") read with Income Tax Rules, 1962, circulars, notifications, as amended by the Finance Act, 2018 (hereinafter referred to as the 'Income Tax Regulations') and Goods and Services Tax Act, 2017 ('GST Act') read with Rules, circulars and notifications under the GST Act (hereinafter referred to as the 'GST Regime') (hereinafter referred to as the 'Statement'), presently in force in India as on the signing date. The Statement has been prepared by Management of the Company in connection with the proposed offering, which we have initialed for identification purposes.

3. These special tax benefits are dependent on the Company, its shareholders and material subsidiaries fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company, its shareholders and material subsidiaries to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company, its shareholders and material subsidiaries may or may not choose to fulfill. The special tax benefits discussed in the Statement are not exhaustive.

Management's Responsibility

4. The preparation of this Statement as of the date of our report which is to be included in the Draft Red Herring Prospectus (the "Offer Document") is the responsibility of Management of the Company and has been approved by the Board of Directors of the Company at its meeting held on January 11, 2019 for the purpose set out in paragraph 10 below. The Management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditor's Responsibility

5. Our work has been carried out in accordance with Standards on Auditing, as per the 'Guidance Note on Reports in Company Prospectuses' (Revised 2019) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (the 'ICAI').

6. Pursuant to the SEBI Regulations and the Act, it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the special tax benefits available as at January 25, 2019 to the Group and its shareholders, in accordance with the Income Tax Regulations and GST Regime as at the date of our report.

7. Our work was performed solely to assist you in meeting your responsibilities in relation to your

compliance with the Act and the SEBI Regulations in connection with the Offer.

Inherent Limitations

8. We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information.

   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 Issue.

   Further, we give no assurance that the Revenue authorities/ Courts will concur with our views expressed herein. Our views are based on the existing provisions of law 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**.**

Opinion

9. In our opinion, the Statement prepared by the Company presents, in all material respects, the special tax benefits, available as at January 25, 2019, to the Group and its shareholders, in accordance with the Income Tax Regulations and GST Regime as at the date of our report.

   Considering the matter referred to in paragraph 8 above, we are unable to express any opinion or provide any assurance as to whether:

   (i) the Group and its shareholders will continue to obtain the benefits per the Statement in future; or

   (ii) the conditions prescribed for availing the benefits per the Statement have been/ would be met with.

Restriction on Use

10. Our report is intended solely for use of Management for inclusion in the offer document to be filed with Securities and Exchange Board of India and the stock exchanges where the equity shares are proposed to be listed in connection with the proposed issue of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For

D K Chhajer & Co.
Chartered Accountants
Firm Registration No: 304138E

Niraj Kumar Jhunjhunwala
Partner
Membership No.: 057170

Place: Kolkata
Encl: Annexure

Annexure to the statement of possible Tax Benefits

Outlined below are the possible special Tax Benefits available to the Group and its Shareholders under the Income Tax Act, 1961 ("The Act")

Statement of Tax Benefits (the 'Statement')

A. Direct taxation

1. Special tax benefits to the Company under the Income Tax Regulations;

There are no special tax benefits available to the Company under the Income Tax Regulations.

2. Special tax benefits to the shareholders of the Company under Income Tax Regulations;

There are no special tax benefits available to the shareholders of the Company under the Income Tax Regulations.

3. Special tax benefits to Ferro Scrap Nigam Limited, a material subsidiary of the Company, under the Income Tax Regulations;

There are no special tax benefits available to the material subsidiary under the Income Tax Regulations.

B. Indirect taxation

1. Special tax benefits to the Company under the GST Regime:

There are no special tax benefits available to the Company under the GST Regime.

2. Special tax benefits to the shareholders of the Company under the GST Regime;

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

3. Special tax benefits to the material subsidiary of the Company under the GST Regime;

There are no special tax benefits available to the material subsidiary under the GST Regime.

SECTION V: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless noted otherwise, the information in this section has been obtained or extracted from the "A study on E-Commerce Industry in India with focus on B2B Segment" of January 18, 2019, by Dun & Bradstreet (the "**D&B Report**"). All information contained in the D&B Report has been obtained by our Company from sources believed by it to be accurate and reliable. Although reasonable care has been taken by Dun & Bradstreet to ensure that the information in the D&B Report is true, such information is provided 'as is' without any warranty of any kind, and Dun & Bradstreet in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. All information and estimates contained herein must be construed solely as statements of opinion, and Dun & Bradstreet shall not be liable for any losses incurred by users from any use of this publication or its contents. Neither our Company, nor the BRLM or any other person connected with the Offer has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions 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. Accordingly, investors should not place undue reliance on, or base their investment decision on this information.*

Terms of Use

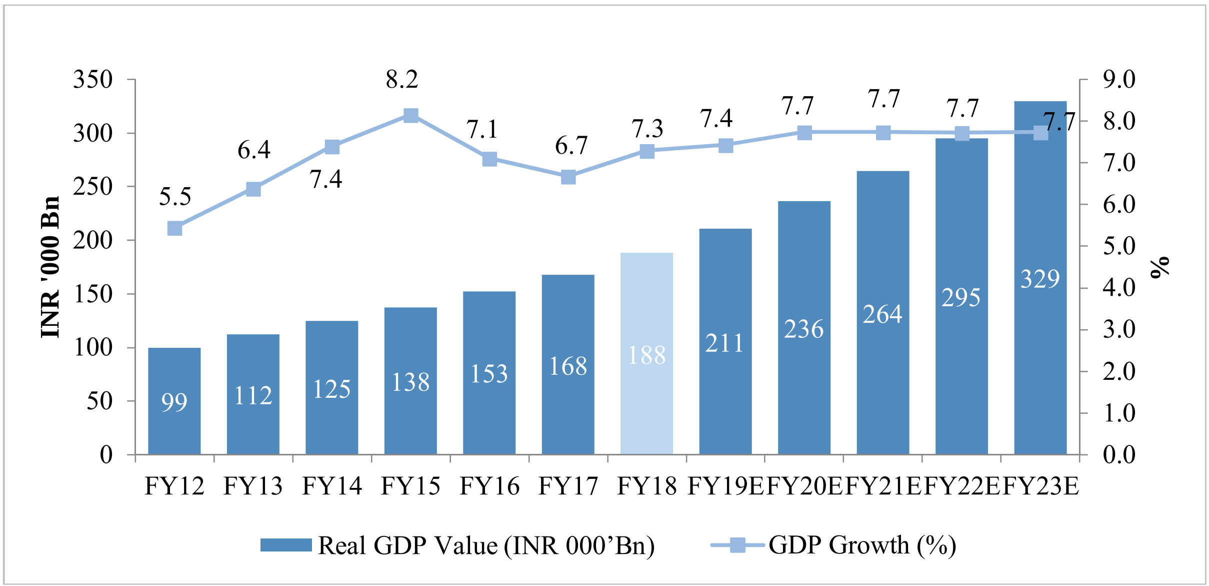
This Report dated January 18, 2019 (hereinafter referred to as the "**Report**") has been prepared by Dun & Bradstreet Information Services India Private Limited (hereinafter referred to as "**D&B-India**") on e-commerce industry with focus on B2B industry.

D&B-India follows ethical practices in the discharge of its professional services and amongst others, as part of such ethical practices, it follows the general rules relating to honesty, competence and confidentiality, and attempts to provide the most current, complete, and accurate information as possible subject to certain limitations in terms of finance, time constraint and other practical difficulties relating thereto and arising as a consequence thereof. The Report has been prepared keeping in view the scope of work. Sources which form the basis of this Report could be broadly classified into two categories: (i) the information gathered by D&B-India from the public domain from primary sources only including the Government offices' website, where consent is not required to be obtained and (ii) Primary interaction conducted with key stakeholder in the e-Commerce segment. D&B-India has taken due care and caution in preparing this Report based on the information obtained by D&B from sources which it believes to be reliable. However, D&B does not guarantee the accuracy, adequacy or completeness of the information. This Report is not a recommendation to invest/disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. D&B especially states that it has no liability whatsoever to the subscribers/users/transmitters/distributors of this Report. D&B operates independently and does not have access to information obtained by group companies of D&B, which may, in their regular operations, obtain information of a confidential nature. No part of this Report may be published/reproduced in any form without D&B's prior written approval.

Overview of Indian Economy

India is the seventh largest country by geographical area, second largest country by population, and third largest economy in terms of GDP at PPP. India has been one of the fastest growing emerging economies in the world over the last few years and is projected to be the fifth largest economy in the world by 2023. India is now among the top 10 economies of the world in terms of GDP, with an average GDP growth rate of 7.05% over the last decade, which is expected to increase in the future.

Real GDP Value (INR 000'Bn) and Growth %, India FY12 to FY23E



Source: World Economic Outlook, International Monetary Fund Estimates, October 2018

India's GDP is expected to reach US$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reforms. To achieve this, the government has taken multiple long-term steps including:

- Made in India
- Start up India
- NITI Aayog
- PayGov and Jan Dhan Yojna
- E-Taal, MyGov, E-Sampark
- BharathNet

which has helped India improve its ranking in the World Bank's Doing Business Report by 23 spots over its 2017 ranking to be ranked 77 among 190 countries in 2019 edition of the report.

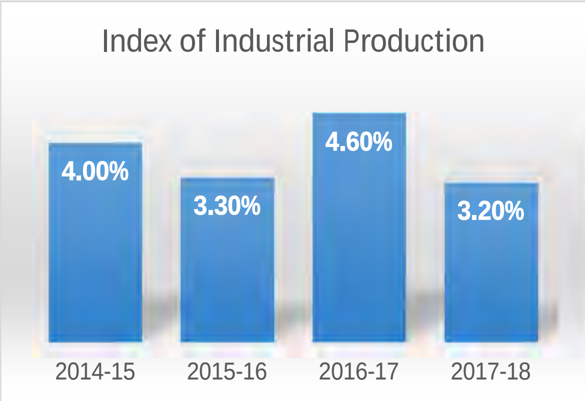
Structurally, Indian economy has been dominated by Service sector for the past few decades. However, Indian government has taken multiple initiatives like 'Make in India', 'Skill India' and 'Startup India' to make India into a manufacturing hub and expand the contribution of Industry sector in the Indian economy.

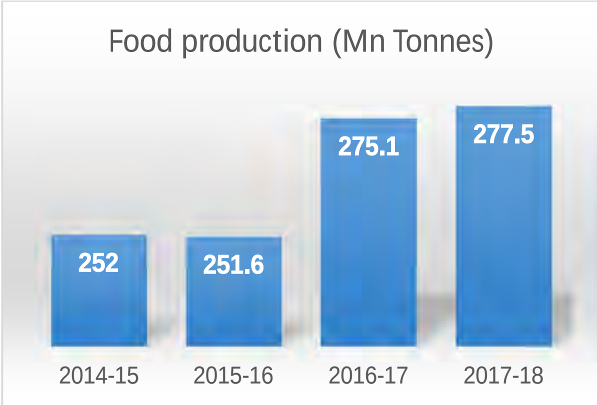
Developments in the Indian Economy

India has emerged as a fast growing economy in the world.

- Startup India and other Government policies have led to the exponential growth of the Indian startup ecosystem. In 2016, the over all tech startup base in India crossed 4,750, registering a growth of 10-12% Y-o-Y.
- India's Foreign Direct Investment (FDI) equity inflows reached US$ 389.60 billion between April 2000 and June 2018, with maximum contribution from services, computer software and hardware, telecommunications, construction, trading and automobiles.

- Agriculture is estimated to grow at a rate of 3% in FY18-19. On the back of nearly normal monsoons, the production of foodgrains paints a positive picture. Foodgrains production would be higher at 277.5 Mn tonnes as against 275.1 Mn tonnes in FY17-18.
- The Index of Industrial Production (IIP) grew 3.2 per cent in FY17-18, while registering a growth rate of 8.4 per cent in November 2017, the highest in 25 months.





Source: PIB/KBK

Transaction velocity in Indian economy

GDP measures the monetary value of final goods and services—that is, those that are bought by the final user—produced in a country in a given period of time. However, the GDP does not take into account the varied and multiple interim transactions that result in the supply of such final goods and services. While there is no database of records that captures the overall transaction data for India, RBI records a wide variety of data relating to the value and volume of payments by different media excluding cash which can be used as an indicator to the transaction velocity of Indian economy.

In INR billion

Year	FY13	FY14	FY15	FY16	FY17	FY18
RTGS	10,26,350	9,04,968	9,29,333	10,35,552	12,53,652	14,67,432
CCIL	5,01,598	6,21,570	7,52,000	8,07,370	10,56,173	10,74,802
Paper Clearing	1,00,168	93,316	85,434	81,861	80,958	81,893
Retail ECS	31,881	47,856	65,366	91,408	1,32,324	1,93,112
Cards	18,671	22,160	25,415	29,398	30,214	38,215
Pre-paid instruments	79	81	213	488	838	1,416
Mobile Banking	60	224	1,035	4,041	13,105	14,739
Total	13,29,239	15,19,235	16,82,461	18,35,103	22,82,412	25,56,563

Source: Reserve bank of India

The above table excludes transactions which result as the cash available with the public enters into multiple transactions which are cash settled.

The aforementioned payment system indicators are a reflection of transactions which are conducted towards exchange of goods, exchange of services and exchange of financial instruments and indicates a transaction intensity (value of transactions in an economy/ real GDP) of approximately 14 times. As this data does not include the transactions undertaken and settled in cash, we believe that the actual transaction velocity of Indian economy should be significantly higher.

Technology enabled businesses or "B2B E-commerce"

Global e-commerce trade value was estimated to be USD 27.7 Trillion in 2016. During the time period 2012-16, the value of e-commerce trade globally has increased by a CAGR of almost 9%. B2B e-commerce accounted for nearly 86% of the total e-commerce trade. In terms of trade value, US is the largest B2B market followed by Japan and China. However, China leads the global B2C e-commerce table. Indian e-commerce industry has been growing at a fast pace, and the country entered the list of top 10 e-commerce markets in the world in 2015.

Top 10 B2B e-commerce Markets in the World (Traded Value in USD Billion) in 2016		
Country	**B2B e-commerce Sale**	**% of total e-commerce**
USA	6,904	91%
Japan	2,675	95%
China	1,389	64%
South Korea	1,133	95%
Germany	926	92%
United Kingdom	497	72%
France	487	86%
Canada	402	90%
India,	305	91%
Italy	271	93%

Source: United Nations Conference on Trade and Development (UNCTAD), Note Size of India is estimates for 2015 (considering in the previous edition India's B2B size was specifically mentioned as 2014 data)

In India the first wave of e-commerce started soon after the launch of internet services in 1995. In B2B space, India's first online B2B directory was launched by IndiaMart in 1996 which primarily provided a platform to MSMEs players to increase their visibility in the market. As MSME players lacked the vital resources to market their products and services to potential customers through newspapers and television, their presence on such online platform helped them overcome the time and cost barrier. Delivery of such services over internet emerged as an effective and efficient medium to connect with client/customers across geographies.

B2B e-Commerce Industry in the US

US is the largest B2B e-commerce market in the world. By 2016 the total value of B2B e-commerce trade in the US is estimated to have touched USD 6.9 Trillion, and is expected to USD 9.6 Trillion by end of 2018. The share of B2B segment is estimated to be nearly 90% of the total e-commerce market in the country. The B2B e-commerce segment is expected to grow by a CAGR of nearly 7 % between 2017 and 2020, as more and more companies shift their procurement channels to online mode. The prevailing sentiment in the US B2B space is geared towards creating an omni-channel presence for their customers, with digital (including mobile e-commerce) forming the core.

B2B e-Commerce Industry in China

In 2017, the annual transaction value in B2B e-commerce industry in China is estimated to have reached USD 3 Trillion. Meanwhile, the total revenue earned by B2B companies in the country is estimated to be USD 5.2 Bn in 2017. Alibaba – the largest B2B e-commerce platform in the world – accounted for nearly 37% of the total industry revenue in 2017 while HC 360.com and GlobalSources.com are the other major contributors.

B2B e-commerce is estimated to account for nearly 70% of the total e-commerce transaction happening in China, indicating the dominance of the segment. As per industry sources, the SME sector accounts for nearly half of the

B2B transaction value in China, as against nearly 23% by large enterprises. This dominance of SMEs is a clear indication of the maturity that the B2B e-commerce market has achieved in China when compared to India where the participation of SMEs in digital platforms continues to be low. To a certain extent, the explosive growth in B2B e-commerce industry in China could be attributed to the growth of Alibaba – the largest B2B e-commerce company in the world.

The Chinese Government has initiated and implemented several measures to encourage the growth of its e-commerce market. The most notable among these is the setting up of cross-border e-commerce pilot zones. Unlike other e-commerce markets like the US or emerging ones like India, cross-border e-commerce plays a significant role in the Chinese e-commerce market. According to the Ministry of Commerce, China the e-commerce transactions in 2016 covered a total of 220 countries with the value of transaction estimated at 6.3 trillion yuan. This massive transaction value makes China the world's largest cross border e-commerce market. Since 2015 the Chinese Government has opened cross border e-commerce pilot zones in 13 cities. The Government has approved for setting up more such zones in 20 locations across the country.

B2B e-commerce dominated the cross-border e-commerce transactions, accounting for nearly 86.5% of the total transactions. The belt and road initiative by the Chinese Government has played a major role in expanding the cross-border e-commerce.

B2B e-Commerce Industry in Europe

The e-commerce market in Europe is estimated to have crossed Euro 500 Bn in 2017, increasing by nearly 11% over the previous year. During the time period 2014-17, the e-commerce market in Europe has increased by a CAGR of nearly 15%. The strongest growth within the region came from Western Europe, which accounted for nearly 68% of the European e-commerce market. Germany, United Kingdom and France are the three major e-commerce markets in the European region. Together these three countries are estimated to account for nearly two – third of the regions e-commerce market.

One of the major development that has happened in 2018 in Europe is the implementation of GDPR (General Data Protection Regulation). The objective of GDPR is to protect the data privacy of EU citizens. Implemented on May 2018, GDPR intends to strengthen the framework that is governing the data protection and data usage norms in the European region. The new framework would provide more power to regulators while increasing the scrutiny in the corporate sector regarding how data is used for commercial purposes. Although the new regulations covers only the European region, it also impacts all the companies that have business exposure to the European region.

This new regulations is especially important to the e-Commerce sector (both B2B and B2C), as commercial usage of data is the basis of e-Commerce business model. GDPR deals mostly with how personal information is used by Companies for commercial gain. In the B2B e-Commerce domain, GDPR comes into play if the e-Commerce entity targets specific buyers (individuals) within a Company. This could create hurdles if a B2B entity wishes to reach out directly to decision makers of the companies that they target.

However Indian B2B e-Commerce entities, with operations solely confined to Indian sub-continent is immune to the restrictions placed by GDRP. The limitations that European entities would face, in terms of targeting specific buyers will not be faced by Indian firms.

Evolution of B2B E-commerce in India

E-commerce stands for electronic commerce and is emerging as a fast way of conducting business. *The World Trade Organization (WTO) defines e-commerce as: The production, distribution, marketing, sale or delivery of goods and services by electronic means.* Potentially, electronic medium may include a use of telephone, fax or internet where the use of internet for business transaction has made significant inroad in e-commerce segment due to its various qualitative attributes. In today's time, e-commerce growth is synonymous with increasing internet growth which is further augmented by the surge in smartphone and better network connectivity.

Basis the parties involved in e-commerce transaction, the industry is classified into following major categories:

Business-to-Consumer (B2C)

- B2C e-Commerce platform connects businesses and end consumer where businesses serve end consumers with products and/or services. Online retailing, e-ticketing, cab aggregators, food retailing,

Business-to-Business (B2B)

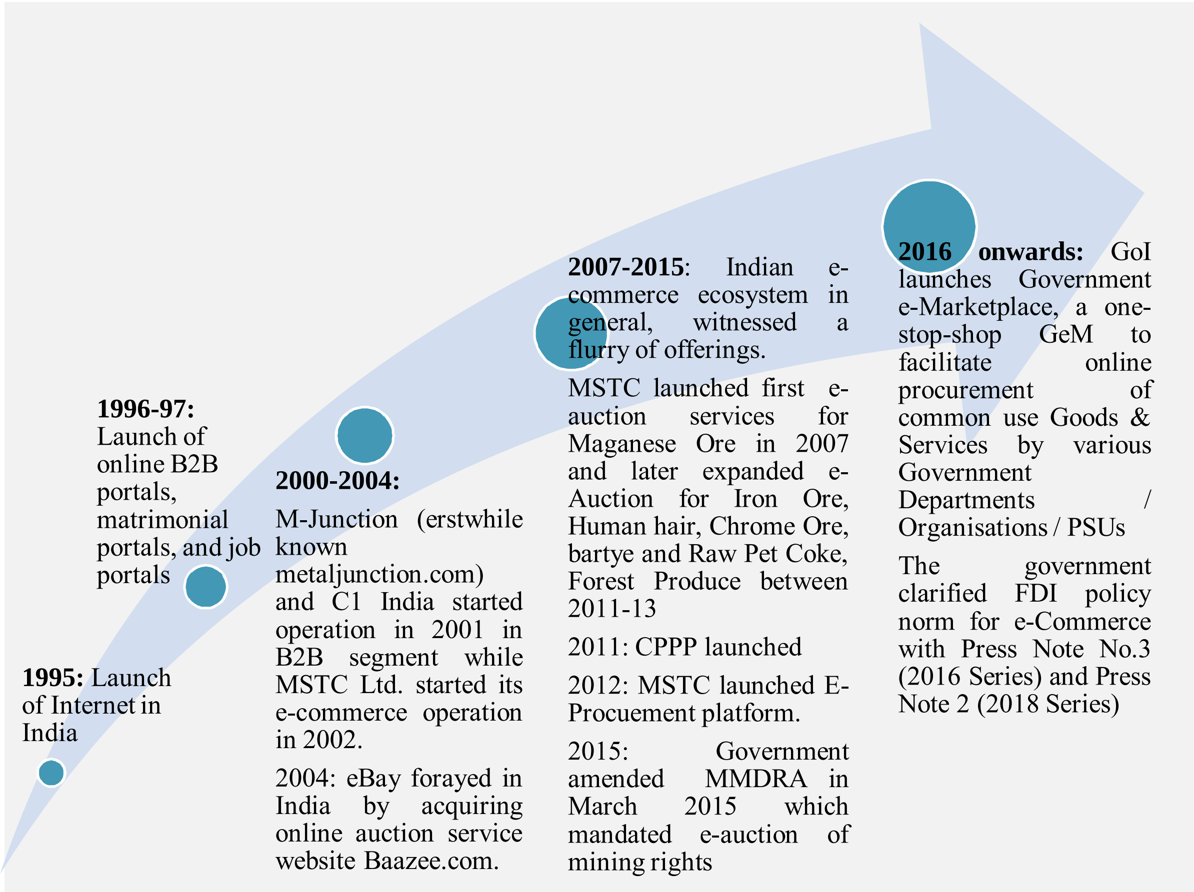
- B2B e-Commerce platform facilitate collaboration between buyer and sellert hrough the internet via an online sales portal. B2B segment encourages a best buy and achieve overall efficiency. Procurement/selling over computer networks

Some of the characteristic which differentiate B2B and B2C e-commerce are as below:

B2C	B2B
• Impulsive purchase	• Rational buying
• Pre/Advanced payment	• Credit payments
• Lesser Transaction values items	• Higher value transactions
• Single decision makers	• Multiple decision makers
• Single delivery	• Multiple deliveries over a period
• Single price	• auction price/derivative prices

Apart from the above categories, Consumer-to-Consumer (C2C), Consumer-to-Business (C2B), Government-to-Business (G2B), Business-to-Government (B2G), Government-to-Consumer (G2C), Consumer-to-Government (C2G), and Business-to-Employees (B2E) are other segments that transacts over internet. However, business-to-business and business-to-consumer have gained large focus when it comes to assess e-Commerce industry size. The coverage of this report largely focus on

B2B e-commerce segment in India.

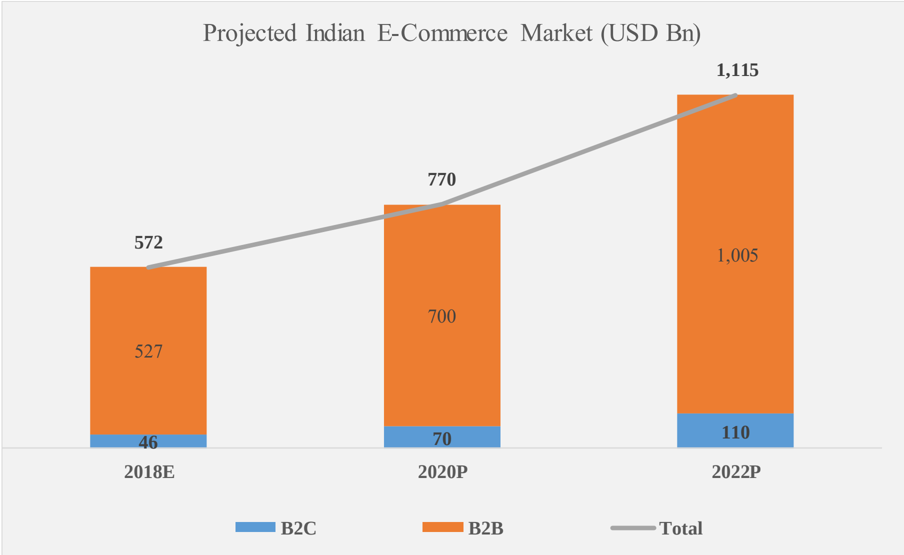


Initially the B2B e-commerce industry was plagued by various issues such as low adoption of internet, resistance to new formats/technologies, technical glitches, lack of understanding & usage of internet/websites, fewer sellers/buyers being online, vendors/suppliers not being tech savvy, inability of SMEs to participate, lack of trust in systems/portals, fears of job loss, doubts about security/reliability and disorganized systems/processes Thus, low acceptance for online purchases, slow internet speed and inefficient logistics infrastructure restricted the quick replication of e-commerce platform in various business segment.

However, various participants have realized the benefits of e-commerce including better price discovery in (auction model), greater convenience, transparency, quicker processing time, privacy, reduced corruption, and record maintenance.

Acknowledging the potential benefit of internet enabled trade, the government has been embracing digital led economic growth. The government sector penetration in B2B e-commerce industry has been triggered by various initiatives announced to adopt transparent practices for the sale of scarce natural resources and government assets through e-auction and e-procurement of goods/services/works by the government owned entities. In past, the government has successfully conducted e-auctioning of mining right in coal and other minerals, spectrum auction and sand mining right auction which was handled by various service provider in B2B space.

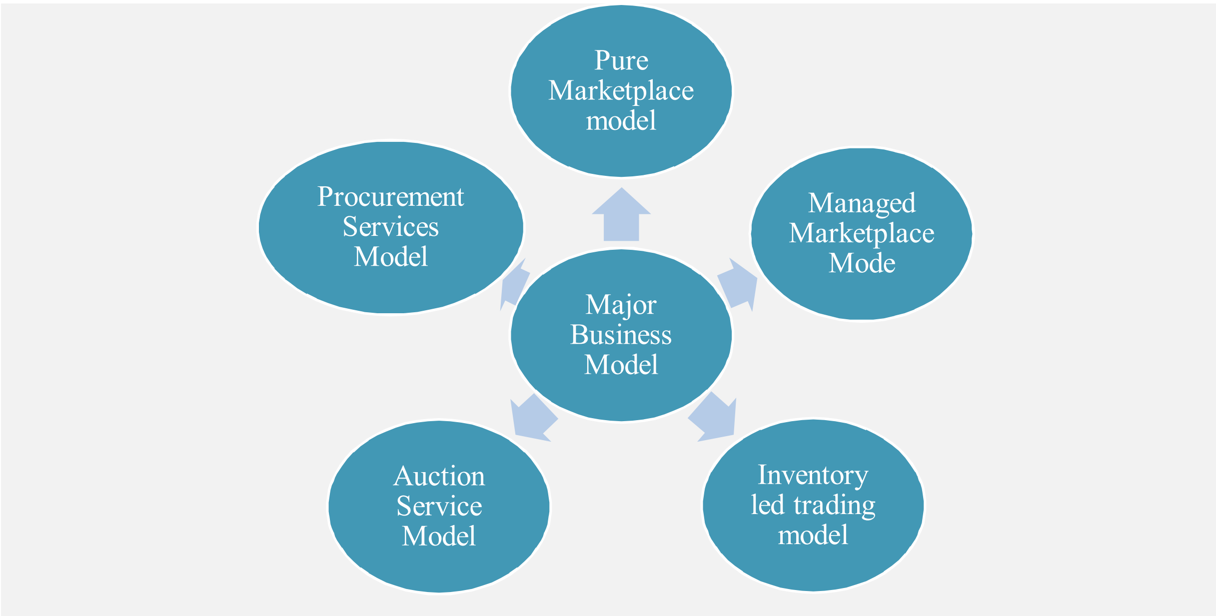
Propelled by the government focussed initiative to ensure greater transparency in asset allocation and procurement, steady improvement in economic growth, and rising internet penetration and digitization level, the overall Indian e-commerce market is heading on the path of high growth trajectory. As per UNCTAD, the B2B e-commerce industry in India is expected to grow from USD 311.6 billion in 2014 to USD 527 billion by 2018E implying an annual growth rate of over 14%. From there onwards, the industry is expected to grow to USD 1,005 billion by 2022P implying an annual growth rate of over 17.5%.



Sources: CII, NASSCOM, Dun & Bradstreet Estimates

MSTC Limited, M-Junction, Power2SME, IndiaMART.com, Amazon Business, Walmart's (BestPrice), JustByLive.com, IndustryBuying.com, Moglix, Bizongo.in, e-Procurement Technologies Limited, C1 India Pvt. Ltd. MatexNet Pvt. Ltd are few leading players in B2B e-commerce segment.

Business models in B2B e-commerce



Pure marketplace model:

Companies following this model simply provide a platform to connect buyers and seller and facilitates exchange of goods/services between buyers and sellers without storing goods i.e. follow zero inventory model. In return, marketplace charges some commission to the Sellers for providing an online platform to market their products. Under this model, when a customer purchases a product, he/she is buying it from a registered seller on e-commerce platform and not from an e-commerce platform which is just a platform for customers to interact with seller. Thus, invoices are issued directly by sellers to buyers and inventory stocking, product pricing and logistics is managed by the respective vendors and not by the e-Commerce website.

While the business model reduces the risk undertaken by the e-commerce platform, it struggles with the ability to control critical parameters like quality of materials being sold, performance of committed delivery schedules, counter-party risk etc. This business model has largely found resonance in B2C e-commerce wherein platforms have built-in protection mechanisms like cash-on-delivery and return policies to address such issues.

Managed marketplace model:

In comparison to the pure market place model, platforms operating on this model have better control on the various parameters. A platform operating managed marketplace model will generally have minimum criteria for buyers or sellers or both, requirement for quality certifications, bid criteria, enforceable payment structures in case of default, built in penalty clauses for deficiency/ delay in services etc. While the counter-party risk continues to remain between the buyer and the seller, a managed marketplace tries to minimize such risk. B2B e-commerce with limited buyers and sellers lends itself well to some form of managed marketplace model.

Key players in this includes MSTC Limited, M-Junction, Steelez portal, steelexchange.in and M3 Portal amongst others.

Inventory led trading model:

In this model, the e-commerce firm sources and stocks the product at the instruction of specific buyer or a number of buyers. The marketplace enters into back-to-back arrangements with such buyers to minimize the price risk inherent in this model. The buyers gains by economies of scale achieved by such platform, reduced requirement of warehousing at the buyer's end, reduced requirement of quality and other procedures which are taken-up by the platform and in certain cases access to credit provided by the platform. While the model offered higher margins, in the past it has been plagued by counter-party defaults and prolonged litigations which has led to most platforms curtail the credit facilities that were provided to the buyers.

MSTC has emerged as one of the leading players in this segment.

Auction Model or e-Auction:

An e-Auction is a process of selling goods or services by offering them up for bid, taking bids where highest bidder wins in ascending price auction. Initially, auctioning was largely limited to specialty item, large lots of excess merchandise or confiscated goods and it uses to take place in physical form[1]. However, with advent of technology advancement, the auctioning process have transformed into an *online auction process or e-Auction*. The earliest Internet auctions appeared in 1993 while the first Internet auction websites started in 1995 with the start of OnSale (www.onsale.com) and eBay (www.ebay.com). Today, government as well as large number of business are embracing e-auction platform to sell and buy a wide variety of products and services.

Auction model offers transparent pricing, ability for a larger set of buyers/ sellers to participate, convenience in terms of conduct and control and savings in time without limiting the ability to avail services such as inspection, payment assistance, logistic support and financing.

Driven by need to maximize resources and improve transparency, Government of India has emerged as a major participant in the e-Auction segment using the model to sell natural resources like minerals, coal, agri /forest product, telecom spectrum, government owned assets, and government owned land parcels, debt recovery, and infrastructure construction involving PPP projects.

MSTC has emerged as a pioneer in the e-Auction segment catering to the Government sector, partnering different Government agencies and ministries in conducting e-Auctions. Other major players operating in e-Auction model include M-Junction, Government E-Auction, eBusiness Dot Com Pvt. Ltd, e-Procurement Technologies Limited, C1 India Pvt. Ltd., MatexNet Pvt. Ltd, IndiaAuction.com Pvt. Ltd.

Procurement Service Model or e-Procurement

[1] *Physical form of Auction; In this both bidder and seller need to be present at a same place during the auction process.*

e-Procurement or procurement over web/specialized software refers to the procurement route used by companies to purchase their input materials, ranging from raw materials to repair/replacement components. e-Procurement is oriented towards buyers, just as e-commerce marketplace is oriented towards sellers.

e-Procurement operates a reverse auction model which helps buyers achieve minimum prices for a defined set of product parameters. Key players operating on this model include MSTC Limited, M-Junction's BuyJunction portal, NIC through Central Public Procurement Portal, e-Procurement Technologies Limited.

B2B E-commerce Penetration in the Government Sector

Even though with large value contribution in overall e-commerce industry, B2B e-commerce segment in India is still at a nascent stage of development when compared with countries like US, Japan and China. However, with increased technology penetration and due to its key attributes and advantages, B2B ecommerce has garnered considerable attention from government sector too. The B2B e-commerce growth in the government sector has been triggered by the initiatives to adopt transparent practices for sale of natural resources and government assets through e-auction and mass procurement of goods/services/works by the government owned entities.

A. E-Auction

Although an early participant, government presence in e-auction marketplace is largely related to selling natural resources like minerals, coal, agri /forest product, telecom spectrum, government owned assets, and government owned land parcels, debt recovery, and infrastructure construction involving PPP projects.

eAuction of natural resources:

In light of various accusations of loss to exchequer, the government decided that all natural resources should be auctioned publicly so as to ensure transparency and fairness in allocation. A few successful auctions conducted include:

1. *Auction of spectrum & airwaves* - 3G and 4G telecom spectrum were auctioned in 2010, 2015, and 2016 earning the government a total revenue of INR 1.06 trillion, INR 1.9 trillion, and INR 65.8 billion respectively. Going forward, allotment of spectrum for 5G services is also likely to be conducted through an auction.
2. *Coal* – In 2015, Government passed an ordinance providing legal framework for auctioning of coal blocks. As of FY 2018, 89 coal mines have so far been successfully allocated. Of these 89 coal mines, 31 have been allocated through e-auction (30 to private companies and 1 to a Government company), and 58 have been allotted to Government Companies. The proceeds from auction and allotment of 81 mines, out of the 89 allocated so far, have been estimated at more than INR 3.94 trillion over the lease period, which shall be devolving entirely to the coal bearing States.

MSTC and M-Junction have been the key intermediaries for facilitating such auctions:

Coal Auction Trend by Two Major Entity

(INR billion)

	FY 2014	FY 2015	FY 2016	FY 2017
MSTC Ltd	57.2	61.4	81.8	101.7
MJunction	83.9	70.2	56.4	81.5

Sources: company's Annual Report

3. *Other Minerals* – To ensure transparency in the mineral sector, the Mines and Minerals Development and Regulation Amendment Bill, 2015, was passed by Parliament in 2015. Subsequent to the amendment, the Ministry of Mines mandated e-auction process for allocation of mineral blocks and/or granting of mining leases; in order to bring in greater transparency and fairness in allocation of mining rights. Concessions for major minerals (other than coal, petroleum and natural gas) were auctioned for the first time in the history of mineral administration in the country. The government nominated MSTC as the e-

auction services provider. Since then, of the 78 blocks identified or listed for auctions by states, 53 blocks have been successfully auctioned (as of December 2018).

Year	2015-16	2016-17	2017-18	2018-19(Apr-Dec)	Total
No. of Blocks Auctioned	6	15	14	18	53
Total revenue to the Govt over the lease period (INR Bn)	181.46	552.14	705.34	392.89	1,831.82

Source: Ministry of Mines

Through these auctions, the government has so far earned INR 1.83 trillion. Another 102 blocks are in the government's auction pipeline till March 2019. Geographically, Jharkhand will auction 20 blocks, followed by Rajasthan(16), and Madhya Pradesh and Maharashtra with 13 blocks each.

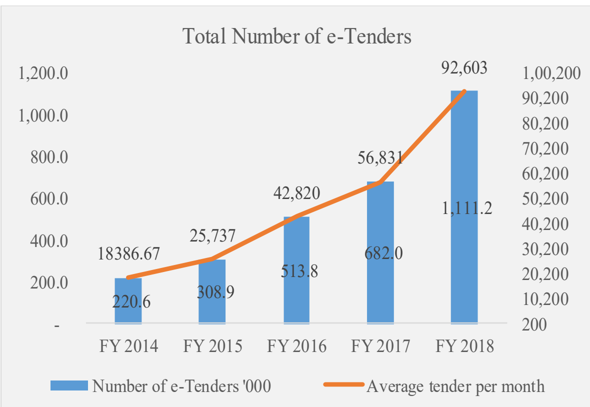
4. *Other Products/ licenses etc.* – Government has also started using e-auction for sale of government owned assets, government owned land parcels, debt recovery, infrastructure construction involving PPP projects.

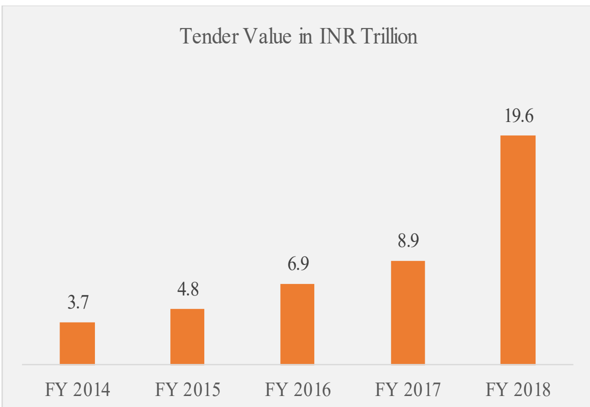
B. E-Procurement

E-procurement in government sector was first initiated by Govt of Andhra Pradesh (2003), Indian Railways (2005), Govt of Karnataka (2004), National Informatics Centre, MeITY (2008) and MSTC Ltd (2012). Furthermore, pursuant to the recommendations of the Committee on Public Procurement, a Central Public Procurement Portal (CPP Portal) was set up in November 2011. This portal was set-up to provide a single point access to the information on procurements made across various ministries/ departments/ PSUs of Government of India. National Informatics Centre, DeitY has developed eProcurement software system (GePNIC) as a product for facilitating e-Procurement in the government sector. Besides CPPP portal, MSTC Ltd, M-Junction, e-Procurement Technologies Limited (ABC Procure), MatexNet Pvt. Ltd and E-Business Dotcom PVT Ltd (Steelez) are other major service provide that offer comprehensive range of services in e-procurement segment.

Consequently, several process such as e-tendering, e-procurement, e-publishing and has observed healthy growth in the past few years, deepening the government penetration in overall B2B e-commerce and driving the overall industry growth in India.

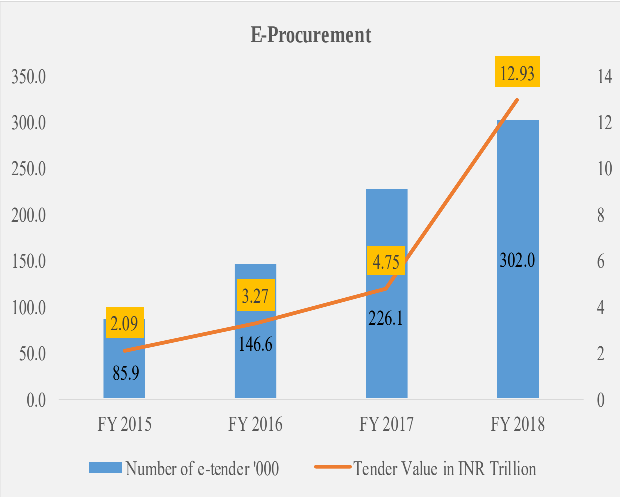
An indicative trend of rising penetration of government in B2B segment is well reflected by healthy growth of e-tender volume and value on CPPP portal for the organization/states/UT that have adopted GePNIC. Since Inception, total 3.26 Mn e-tender using GePNIC till FY 2018, of which 1.11 Mn e-tenders was published in FY 2018 alone.

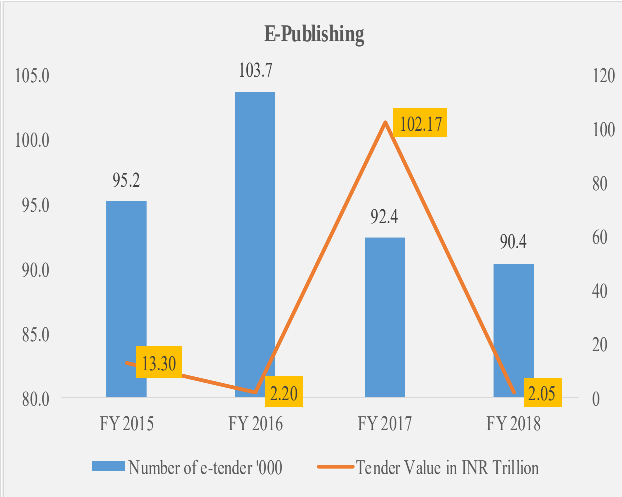




Source: CPPP Portal, it includes e-Tenders processed through GePNIC© in CPP portal as well as 27 States/UT's.

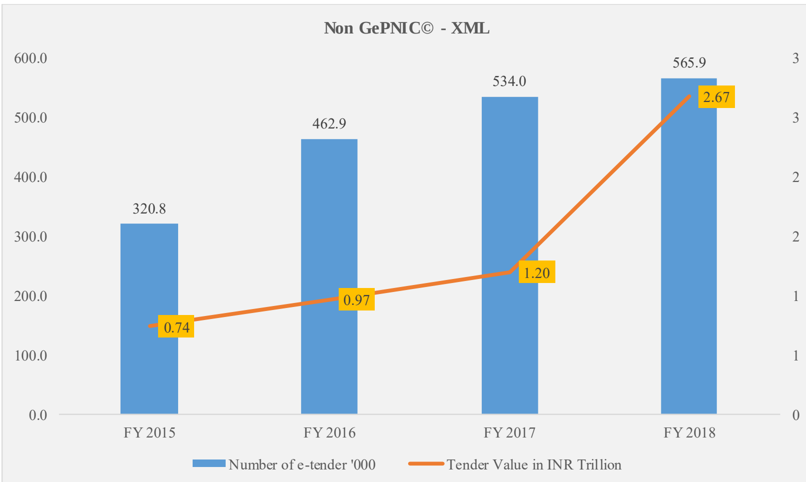
Total value of e-tender floated on CPP portal stood at INR19.6 trillion spread across total 1,112 thousand e-tenders during FY 2018. Number of e-tender processed at CPPP has increased at a CAGR 49.8% in volume terms and 52.1% CAGR in value terms during the period FY 2014-18.





Source: CPPP

Total value of e-procurement tender processed using CPP portal has increased at 82.5% CAGR between FY 2015-18 while number of e-procurement tenders has increased at CAGR of 51.4%. The value of e-procurement bid on CPP portal reached INR 12.03 trillion spread across 302 thousand such tenders. On the other hand, the number of e-publishing tender has gradually declined from FY 2015 onwards. This indicate organizations are preferring e-Procurement mode which involves complete e-Tendering cycle starting from publishing, bid submission, bid opening, evaluation and awards of contract.



Source: CPPP

For other leading players such as MSTC Ltd and M-Junction, the total value of e-transaction value of e-procurement services observed healthy growth of 148% and 20%, respectively, indicating rising penetration of e-sourcing activity happening across several industry vertical.

e-Transaction from E-Procurement Services **Value in INR Bn**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**	**FY 2018**
MSTC Ltd.	9.6	30.2	57.6	140.4	362.7
M-Junction’s Buy Junction	192.3	286.2	533.3	233.5	395.5

Sources: Company Filing

Overview of Services by B2B e-commerce Platforms

As the industry is progressing towards maturity and competition getting intense in the overall e-commerce industry, the B2B players are elevating themselves from providing just an online platform for trading to a total solution provider that meets various requirements of a buyer / supplier using that platform. As per D&B and basis their primary interactions with stakeholders from B2B e-commerce portals better pricing, good reputation, reliability/trustworthiness, transparency, variability in product/services offerings, processing time, safe and secure payment and user friendliness are key determining factors that affect clients choice of sticking to a particular online portal. Hence, B2B portal are constantly working to enhance user satisfaction by regularly improving their service quality and solutions offerings. Many leading B2B players have broadened their service portfolio to include supplier management services, purchase and procurement, inventory management, payment management, and service and support, amongst others.

B2B e-commerce companies have created a suite of products, moving away from a plain vanilla provider of technology platform for trading. Through these service offerings, the B2B e-commerce companies are reinventing themselves to position as strategic partners for buyers as well as sellers in the B2B space.

Supplier/Seller Aggregation (Auction Service / Price Discovery)

The service provided involves a technology platform for conducting the auction services, along with associated services that are integral for the smooth execution of an e-auction. These services are geared towards the seller of a product/service, with clear benefits outlined for the seller.

Price discovery is the key objective of an auction model. This is facilitated by ensuring the seller has access to a wide range of buyers along with ensuring information transparency. The latter has the availability of all information regarding the product/service being offered through auction, including product quality, availability, and previous pricing terms/price range, among others.

Some of the key services provided by B2B e-commerce players in the supplier/seller aggregation landscape include:

a. Inviting buyers to auction platform / ensuring awareness about the auction among buying community so that the seller has access to a wide pool of buyers. Today, B2B e-commerce players use tools like social media as well as direct contact to invite buyers. An e-commerce player, armed with a large volume of transaction data tend to have a product wise ready list of buyers along with contact information. This access to buyer profile helps in generating a wide and diverse pool of buyers, which gives a definite advantage to sellers using the e-auction platform.

b. Ensuring transparency in price discovery as well as information flow, through the use of the public medium. In an e-auction, the platform providers tend to publish the information related to the product (such as quality, lot size, and other parameters). This unbiased information distribution helps buyers transacting in the platform to design robust bids. Thus, price discovery is ensured as no buyer has an undue advantage.
c. B2B e-commerce platform providers have access to large volume of transactional data, collected from previous auctions conducted in their platform. This data is often used to identify the demand pattern, price range and other aspects for particular products. The e-commerce players provide this information to the seller, helping them to set correct expectations in terms of price as well as the nature of buyers to expect. The price data helps the seller set an optimum planned price that is neither cheap nor too exorbitant.

Apart from meeting all the objectives of a traditional auction process, an e-auction helps in reducing the cost associated with the auction, particularly three types of costs:

a. *Information / Search cost* - The probability of obtaining the best price of a product depends on the pool of buyers available. Consequently, a seller, in an auction process, will stand to benefit if a large & diverse pool of bidders participates in the auction. In a traditional/physical auction model, the cost of reaching out a large number of buyers is high and is borne by either the seller or the intermediary in the auction process. This cost of reaching out to sellers / gathering information on sellers is referred to as information/search cost. In an e-auction, the B2B e-commerce player provides this service, thus saving time and effort of the seller.
b. *Negotiation Cost* - Bargaining over price as well as product specification tends to occur in a physical auction process. This tends to delay the actual sales as well as impact the price discovery, leading to suboptimal price for a seller. On the other hand, the presence of an online auction platform tends to remove this bargaining feature, as buyers are able to view each other’s offers (although the real identity of buyers will be masked). This transparency in information does not provide the buyer to engage in further bargaining resulting in better price discovery for sellers. The cost of bargaining is herein referred to as negotiation cost.
c. *Monitoring cost* - Monitoring cost involved the cost incurred post the transaction/auction process and involves the enforcement of transaction terms, including payment and delivery. There are no delays/time gaps between completion of the auction process and enforcement of transaction terms in an online auction, resulting in lower/minimal monitoring cost.

Buyer Aggregation (Procurement Services)

Traditional procurement practices involved publishing of request for quotations (RFQs), gathering information on products that needs to be procured, comparison of products (both price and features), selection of the supplier followed by post selection processes. Traditional procurement process involves coordination between multiple agencies / personal resulting in higher cost. Additionally, the chances of inefficient practices creeping in is higher in traditional processes.

The improvement in technology and changing mindset among companies along with proven advantages of online procurement has resulted in e-procurement practices gaining traction. Surveys conducted by multiple agencies among chief procurement officers in a global scale points to higher adoption of e-procurement.

The biggest incentive behind the increasing adoption of e-procurement is the cost savings achieved. Additional advantages include faster procurement processes and process automation. The preference in e-procurement is towards self-service models, which enables procurement department to directly compare goods and make purchases. Realizing this trend more and more B2B e-commerce players are developing self-service procurement portal, that are hosted either in the web (accessed through browser) or in private networks.

Advantages of e-Procurement practices:

a. For a buyer, a shift to e-procurement helps in streamlining the purchase process. E-procurement portals tend to have a list of pre-approved suppliers that helps in reducing the business risk for buyers.
b. An e-procurement platform typically provides a dashboard view of procurement / purchase happening in a company. Availability of such a collated view improves the transparency as all procurement deals are listed out.
c. A transparent e-procurement platform allows buyers to get lowest price. Reverse auction method is the preferred purchasing model in an e-procurement portal. Reverse auction encourages health price based competition, which helps a buyer meet his requirement at the best possible, often the lowest price. This directly results in cost savings.
d. An e-procurement model could help in reducing the inventory levels in a company. The process of purchasing through e-procurement is hassle free due to ready availability of seller information, prices and product specifications. Companies can thus adopt lean inventory models.

Inventory management

Inventory management it is an important part of the overall supply chain management system. Managing inventory includes supervising the flow of goods from manufacturer to warehouses and from warehouses to point of sale. In a technology driven eco-system, most of the B2B E-Commerce players uses robust software for managing inventory. Many B2B ecommerce companies are also utilizing a cloud-based inventory management system where SaaS based cloud technology is mostly commonly used as it allow to access information anytime from anywhere and thus helpful in real time inventory tracking. This inventory management tool encourages real time data updation for the order received, dispatch of shipment, delivery tracking, giving management a better overview to manage and even improve their supply chain if required.

Financing & Payments

Financing and ease of payment forms an integral part of the process and many B2B e-commerce entities have started offering solutions for financing either directly or through tie-up with financial institutions. Additionally, the e-procurement service providers are expanding the payment options available to the participants so as to minimize transaction cost and improve the ease of transacting through the platform

Catalog Management

In B2B business, it is integral for a supplier to share his product catalog with clients, who in turn integrate the catalog into their procurement systems. Effective integration of catalog is essential for suppliers to impart updated product information to their customers. Traditionally, print catalog was the primary mode of catalog management. However, the onset of B2B e-commerce have transformed catalog management, as online catalogs started replacing print catalogs.

This transition to online catalog management has brought to fore new challenges, in the form of need for real time integration, product enrichment/design flexibility, and supporting different formats. In B2B transaction, a customer would be dealing in numerous products with multiple suppliers. Today ERP suits have replaced traditional procurement systems, and customers demand compatible catalog management systems from the B2B partners.

However, a large majority of companies operating in India’s B2B space are yet to upgrade their technology infrastructure. The either lack the resources or capital to undertake massive technology upgrades. Consequently, the risk of losing out business is high. Specialized catalog management services by B2B e-commerce service providers aims to bridge this gap in technology.

Notable services offered by B2B e-commerce segment under Catalog Management:

a. *Real time integration* - This could be termed as the most vital aspect of catalog management. With supplier catalogs deeply embedded with customer software suites, it is vital for a supplier to keep the information on his SKUs, and inventory position updated. The presence of multiple SKU's across product lines make it extremely challenging for a supplier to update their product information. The real time integration feature offered by B2B e-commerce companies helps in automating catalog updation process.
b. *Product Enrichment* - Providing accurate product content that includes description, attributes and key features is integral to B2B business. Furthermore, accurate product content is also essential for a B2B supplier to feature in the product search. Product enrichment feature by B2B e-commerce players fills this gap. The assistance includes providing effective product content that ensures maximum visibility in product searches while imparting accurate information that helps in purchase decisions.

Logistics Management

Despite the presence of one of the largest road and rail network, goods movement in India continues to suffer from delays. The most telling impact of the absence of a robust logistics solution landscape is felt in the industrial space, as delays in raw materials, finished goods, parts & components have potential to result in losses.

Some of the leading B2B e-commerce companies are gearing up to tackle this gap existing in the logistics sector.

Other services provided by e-commerce platforms

Other services offered by certain e-commerce platforms includes quality management, technical support including demo and training, digital marketing support, customized auctions, consultancy on auction process and parameters, software development, physical oversight in cases where auctions are required to be conducted out of specific areas, detailed auction reports on auction completion, notifications for receiving documents, audit facilities etc.

Competitive Scenario in B2B E-commerce

The competitive intensity in the overall B2B e-commerce industry is accelerating due to entry of large global players and a host of start-up ventures funded by private equity. However, large established players enjoy a clear dominance over the emerging startups. This is primarily due to scale of business operation, rich experience, technology benefit that ensure transparency in business transaction, service quality and ability to handle large volume of data. With respect to auctioning of natural resources such as coal, iron ore, sand, public enterprises continue to dominate through nominations which limits intense competition in this segment. At present there are only a handful of government platforms that provide e-auctioning services to various government entities which include MSTC Ltd., M-Junction and NIC developed Government e-Auction platform.

MSTC Ltd. is a nominated agency for all major mineral blocks and minor mineral blocks in few states. Nomination based auctioneer selection for natural resources allocation gives MSTC Ltd a distinct advantage over its other peers who are operating in B2B e-commerce industry. Besides natural resource auctioning, MSTC ltd has been providing e-auction services for scraps sale, minerals, old plant & machineries, coal and non-coal mine blocks, land parcels, agricultural produce, tea, gorgon nut, tendu leaves, timbers and other forest produce, etc to various clients in the public as well as private sector. MSTC Ltd. and other government agencies such as eNAM, GeM, CPPP, Government E-Auction platform are driving government penetration in B2B e-commerce sector.

e-Procurement Technologies Limited, C1 India Pvt. Ltd., MatexNet Pvt. Ltd and E-Business Dotcom PVT Ltd, amongst others are other leading B2B e-commerce players that are engaged in providing e-auction, e-procurement, e-tendering, and other allied activities.

Agriculture Marketing and Trading Infrastructure in India

Agriculture plays an important role in Indian economy contributing 16 % of GDP while supporting 49% of population. Despite multiple attempts, agriculture's role in overall GDP has decreased over the decades which is partially attributed to smaller land holdings, competing pressure on land from urbanization and archaic marketing and trading infrastructure for agri commodities.

The agriculture produce in the country is currently marketed and traded through a network of nearly 6,600 regulated markets as well as close to 22,000 rural periodic markets. The regulated markets are primary wholesale markets which include nearly 2,339 principle markets based on geographies (commonly termed as APMCs – Agriculture Produce Marketing Committee). The remaining are sub-market yards regulated by the APMCs. These regulated markets, particularly APMCs have associated infrastructure for carrying out trading and marketing activities. On the other hand, the rural periodic markets lack even basic amenities required for trading and marketing of produce.

Apart from these regulated and rural periodic markets, the agriculture marketing infrastructure in the country also consists of Agricultural Cooperative Marketing Societies. This is a four tiered structure catering to agriculture sector at local, district, state and national level. The National Agriculture Cooperative Marketing Federation (NAFED) is the apex marketing cooperative society at the national level. These agriculture societies are involved in the procurement and marketing of agriculture commodities, distribution of agriculture inputs & implements, as well as export and import of agriculture commodities. Additionally, few of the societies also provide associated services like warehousing, and agro product processing services.

While the APMC Acts enacted by various state governments were structured to create a robust market for farmers to get a fair price for their produce while to ensure customers have access to agriculture produce at competitive prices, they have created a large number of intermediaries, such as commission agent, trader, wholesaler and retailer with concomitant multiplicity of fees and margins which has led to the dilution of the very objective of the market, namely enabling farmers to get a fair price. Furthermore, the APMC model prevented farmers from directly selling their produce to end users (institutional buyers), which would have enabled them to collect a fair price. Today, the traders and commission agents control the APMCs, leading to the exploitation of farmers. The cartelization (by agents and traders) in the APMCs have impacted the price discovery process. Presence of a cartel has prevented transparent bidding, while market manipulation has led to procurement at low prices while sales at extremely high prices. The introduction and adoption of Model APMC Act 2003 which has been adopted by 22 states in some form has had limited impact in addressing the shortcomings of the APMC model.

The shortcomings of the APMC model has further led to slower growth in the sector and impacted the growth of agri-processing sector wherein the processers, exporters and other institutional stakeholders are not able to procure agro-commodities in a timely and cost-efficient fashion.

This has created an urgent need to reform the trading model. The marketing and trading infrastructure had to be modernized to address the two key drawbacks, i.e. opaque price discovery and difficulty in accessing the market. An online marketplace/trading platform is emerging as an optimum solution. A trading platform with adequate security measures built in can enable transparent trading, as well as aid in price discovery mechanism. Furthermore, the trading platform can be accessed through internet connection using a computer from any corner of the country. This solves the challenges surrounding the access to the market.

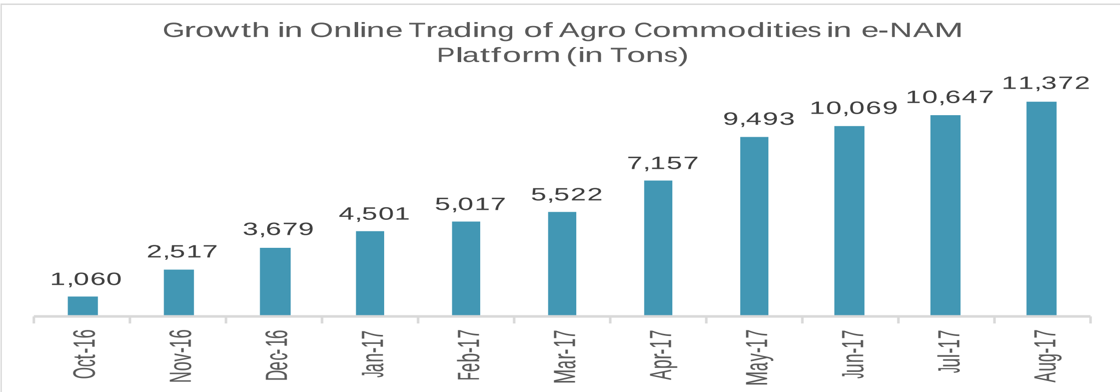
In recognition of the challenges inherent in the APMC model, the government has further liberalized the trading infrastructure in agricultural commodities through Model Agriculture Produce and Livestock Contract Farming and Services (Promotion & Facilitation) Act (APLM Act) in 2017 which facilitates the creation of single agricultural market, removal of multiple levels/intermediates to ensure farmer get a fair price, creating a conductive environment for setting up of private markets as well as the promotion of e-trading to promote transparency and integration of markets.

Move Towards National Agriculture Market: Status of e-NAM

The National Agriculture Market scheme (also known as e-NAM scheme) was approved in 2015. The objective of the market was the creation of a unified national agriculture market by integrating APMCs operating in Indian agriculture trading space. The scheme envisaged setting up of an electronic platform (e-market platform). The e-NAM portal was launched in 2016. In its first phase, the e-market platform was to be deployed in 585 selected regulated markets / APMCs, from states and Union Territories who wish to join the initiative.

The implementation was planned in a phase wise manner with the e-market platform rolled out in 400 markets during 2016-17 and remaining 185 markets in 2017-18. As on March 2018, all 585 regulated markets, spread across 16 states and 2 Union Territories has been integrated into the e-NAM market. As per e-NAM portal, nearly 114 agro commodities (which includes cereals, fruits, vegetables, and flowers) has been approved to be traded through the e-NAM market portal.

The e-NAM portal also lists the quality parameter standards for all the 114 commodities that are currently approved to be traded. This transparency in releasing the information on quality parameters have to a certain extend allayed the fear of end consumers as the participation is remote and physical checking at the time of auction is not possible. As of May 2017, nearly 11,370 tonnes of agro commodities worth nearly INR 31,400 Crore has been traded through the e-NAM platform (since its launch). Nearly 508,000 sellers are currently registered with e-NAM portal while the count of buyers is nearly 97,000.



Source: e-NAM web portal

Major Government Initiatives in Agriculture e-Auction/ e-Trading

Several Government agencies and departments associated with the agriculture sector have ventured into e-Auction/e-Trading route in the past couple of years. This movement was taking place in parallel to the development of the e-NAM market. Few of the major departments and e-Auction/e-Trading platforms that have been developed are given below.

e-Auction platform by North Eastern Regional Agricultural Marketing Corporation Limited (NERAMAC)

NERAMAC provides support to farmers in the North East region in terms of gaining fair price for their produce, as well as enhance the agro processing and marketing infrastructure in the region. The primary objective of the agency is to bridge the gap between farmer and market.

The e-Auction platform by NERAMAC was launched in 2014, in partnership with Kolkata based Center for Development of Advanced Computing (C-DAC). Black Pepper, Cardamom, Ginger, Pineapple, Turmeric, and

Black Rice are the major products traded through this online platform. The auction platform intends to connect nearly 170,000 farmers spread across the states of Assam, Meghalaya, Arunachal Pradesh, Manipur, Mizoram, Nagaland, Tripura, and Sikkim.

Unified Market Platform in Karnataka

The Government of Karnataka, in association with NCDEX Spot Exchange, has developed an e-Auction marketplace for agriculture commodities. The JV between the parties named Rashtriya e Market Services Private Limited (ReMS). The initiative was launched in 2014, and since then the Unified Market Platform has integrated the APMCs functioning in the state.

Currently, all 162 markets in the state have been integrated with ReMS while 60 commodities are currently traded through the platform. As per Karnataka State Budget 2018, nearly INR 76,000 worth of agriculture commodities have been traded through the online platform while close to 48 lakh farmers have already registered in the platform. On the end consumer side, about 13 institutional customers (including ITC, Reliance, Godrej Agro, and Cargill) has registered in the portal to procure directly from farmers.

e-RaKAM Portal by MSTC and the Government of India

The Government of India, in collaboration with MSTC Limited, has launched an online platform to facilitate agriculture produce. Launched in 2017 this platform has been christened as e-Rashtriya Kisan Agri Mandi (e-RaKAM). The online portal is a joint initiative by the Government owned MSTC Limited as well as Central Rail Warehousing Corporation (CRWC).

The objective of e-RaKAM initiative is to bring all the stakeholders like farmers, Farmer Producer Organizations (FPOs), civil supplies corporations, related PSUs and private buyers under a single platform. This integration is expected to streamline the selling and buying process of agriculture products. Furthermore, to support this platform, e-RaKAM centers are being developed across the country. CRWC is the marketing and logistics partner to enable smooth flow of agro commodities that are traded through the platform.

e-Auction of Agriculture Produce in North East Region by MSTC

The Government backed MSTC Limited is implementing the e-Auction model to sell the agro and forest produce in the North East region. In the initial stage, the Company conducted e-Auction of ginger (from Nagaland) and Pineapple (from Tripura). The Company provided the e-Auction platform for facilitating the auction.

The increasing adoption of e-Auction/ e-Trading of the agricultural commodities is expected to be driven by increased demand from a wide array of buyers including agri-processing firms, rapidly growing organized food and grocery retailing companies and government thrust to improve farm income.

The Government has outlined an ambitious plan to double the farm income by 2022. This includes several initiatives, like the integration of multiple agriculture schemes, improving marketing & trading initiatives, and restructuring of APMC based infrastructure. Promotion of online marketplace for trading is a central part of the Government plans.

The e-NAM platform is expected to get much greater focus and would become the central part of the new marketing & trading infrastructure. The Government is also planning to link the rural periodic markets (numbering nearly 22,000) with wholesale markets / regulated markets (APMCs). These initiatives together would increase the number of farmers who could access the system, as well as increase the volume of agro commodities that would be traded through the online platform.

The Government in Union Budget 2018 has announced the creation of INR 2,000 Crore Agriculture Market Infrastructure Fund for strengthening the e-NAM platform. Till date, only 585 APMCs have connected to the e-NAM portal, while the majority of APMCs have not integrated with the platform. Also, the number of farmers registered with e-NAM numbers less than 50 lakhs, out of the 12 crore farmers in the country. As the adoption of e-Trading and e-Auction improves, the online trading in an agro-commodities should witness healthy growth.

Regulatory Scenario in Indian E-commerce Sector

E-commerce is a relatively new phenomenon and is constantly evolving. Further, it operates on a digital infrastructure which is very dynamic and constantly evolving. The regulations and compliance framework governing this dynamic form of trade is yet to fully develop. The presence of a variety of players/intermediaries and multiple business models meant the e-commerce sector is influenced by a bevy of rules and regulations. Information Technology (IT) Act 2000, Payment and Settlement System Act of 2007, and Consumer Protection Act of 1986 are some of the prominent regulations that govern India's e-commerce sector.

Like a traditional brick and mortar business, starting an online business requires licenses and registrations from central and state Government. These include appropriate tax registration, proprietorship/partnership registration, shop and establishment regulation, and similar registrations. Apart from these mandatory registrations, there are few regulations that are applicable specifically to the e-commerce sector, due to the nature of the business. Notable among these are regulations governing Intellectual Property (IP) and Data Privacy.

The pace of IP generation – in the form of technology/branding/content/other in e-commerce space is high, leading to a higher risk of IP violation. This calls for stringent IP norms to protect players from hacking/software piracy/ other digital frauds. Similarly, an e-commerce transaction generates personal data and financial data, which is sensitive in nature. Hence, e-commerce firms have to comply with the data privacy and data protection laws that are applicable in the country.

Need for Better Regulation

Unlike traditional sectors, e-commerce poses novel challenges that require special regulations. Notable among these are the horizontal shareholding pattern by investors, as well as deep discounts offered by e-commerce players.

Indian e-commerce sector has witnessed explosive growth in the past few years, which is expected to continue in the coming years. This strong growth potential has attracted foreign investors. With numerous e-commerce ventures operating in the same business vertical, the instance of a single investor investing across competitors is not uncommon. Such a scenario – horizontal ownership – is a relatively new trend and there are no effective regulations to control/regulate this trend. Considering the strong growth in the sector as well as the high risk involved, investors are investing in competing companies to diversify their investment. However, such horizontal shareholding pattern could lead to a scenario where a common investor can force competing companies to collude to earn profits. This could lead to cartelization in the industry. Thus, there is a need to formulate appropriate policies to ensure horizontal shareholding does not result in a monopoly.

Draft e-commerce Policy 2018: Proposals and Reactions

On July 2018, the Indian Government released a draft e-commerce policy[2], as a precursor to creating a new regulatory framework for the e-commerce sector. Some of the key provisions of this draft policy include:

- Phasing out of the deep discounts provided by the e-commerce companies within the next two years. This proposal could be in response to the demands by physical/traditional retail sector who are losing out business to online competitors.
- Localization of data, according to which e-commerce companies will have to store the data - that they generate during the course of their operations in India – in India. To facilitate this the Government proposes to accord infrastructure status to data centers. Additionally, other rebates and tax exemptions are proposed to encourage data localization.
- Modifying existing rules and policies to encourage wider participation by the MSME sector. The proposals to achieve this objective involve establishing a dedicated e-commerce platform for MSMEs, simplifying onboarding procedures for MSMEs, enhancing technical capabilities, and improving access to finance, among others.
- Transparency in issues related to data collection & usage, terms & conditions, as well as all conditions that emerge during an e-commerce transaction.

One of the major objectives of the policy is to provide an even operating environment for domestic firms. Today foreign firms like Amazon and Walmart (through their acquisition of homegrown Flipkart) as well as foreign

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[2] *Based on the proposal by e-commerce subgroup constituted by the Government.*

investors have a dominant position in Indian e-commerce space. Competition authorities in the country have come across multiple instances of anti-competitive practices, which are forcing small domestic companies out of contention. The draft policy aims to create a level playing field.

However, the draft policy faced severe criticism from stakeholders in the e-commerce sector. As per them, several proposals, if implemented, would have severe implications on their business models. Further, the foreign firms have raised the concern of protectionist policy, if the proposals outlined in the draft is implemented. Since the presence of foreign firms is vital for the continued development of Indian e-commerce firms, there is a need to maintain a healthy balance. Faced by severe criticism, the Government abandoned the draft policy. However, in early December 2018, the Government revived its plan to formulate an e-commerce policy. Towards this, the Department of Industrial Promotion (DIPP) has started consultation with stakeholders.

The Government on December 26, 2018, announced few policy measures to check the alleged practice by e-commerce marketplace firms controlled the prices of products sold through their platform. As per this new set of policies, any entity which has an equity participation by e-commerce marketplace firms of their group companies is barred from selling their products on the platform. The new set of policies is meant to lower the control that the e-commerce marketplace entities exert on the suppliers / partners using their platform. Apart from the above, the new policy also bars an e-commerce marketplace entity from selling any product exclusively on their platform. Additionally, the broader objective of the policy is also to control the deep discounting provided by e-commerce firms, a practice which has come under strong criticism from retail industry.

These new policy measures would be an impact on the business model followed by two of the leading marketplace platforms in India, namely Amazon and Flipkart. These two companies might have to restructure their business model to comply with the tighter rules.

According to the Ministry of Commerce, the new draft – for which discussions are afoot – would focus on promoting transparency in pricing and discounts as well as protecting the interests of both retailers and consumers. The year 2019 could witness the introduction of a new draft policy, which could pave the way for drastic changes in the regulatory front and reshape the e-commerce landscape in the country.

End of life business recycling in India (ELV)[3]:

Following the expansion of the Indian automobile market over the last two decades, issues pertaining to end-of-life management of vehicles have gained increasing relevance. Consequently, the last two decades saw very significant changes in the resource usage of domestic manufacturers. Most notably, plastic and plastic composites substituted metal, gradually but incrementally, and the weight of vehicles decreased while their volume grew very rapidly. In 2015, the total number of ELVs was estimated at 8.7 million, with the number expected to rise to 21.9 million by 2025 at a CAGR of 10%.

Resource efficiency in India is a priority area, and the End-of-Life Vehicle (ELV) sector has a large role to play. ELVs contain materials and parts that can be refurbished and reused and offering an important opportunity for improving resource efficiency and reducing the demand for raw materials. Understanding the material flow linked to ELVs management — from valuable metals to low grade used oils — is critical to improving their efficient use.

Currently, about 70-75% of the vehicle weight of an automobile is recycled, while the remaining 25-30% is converted to ASR (Auto Shredder Residue), which consists of foams and fluffs, plastics, rubbers and metals for which there is no cost-effective recycling technology[4].

According to CARE, India has 6.5-Lakh pre-2000 registered commercial vehicles on the road as of 2018. The Government is proposing a policy to fix 20 years as the lifetime of a commercial vehicle.

Overview of scrap metal recycling

The global metal recycling market is expected to grow at a CAGR of 8 per cent to reach an estimated value of USD400 billion by 2020 from USD277 billion in 2015. India is the third largest importer of metal scrap. Domestic production of scrap was 30.5 million tons in the year 2015 whereas demand was close to 37 million tons resulting

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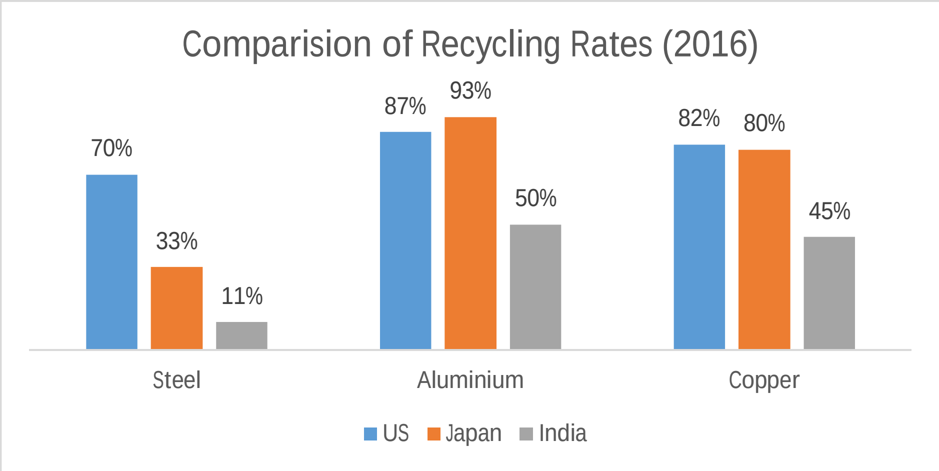
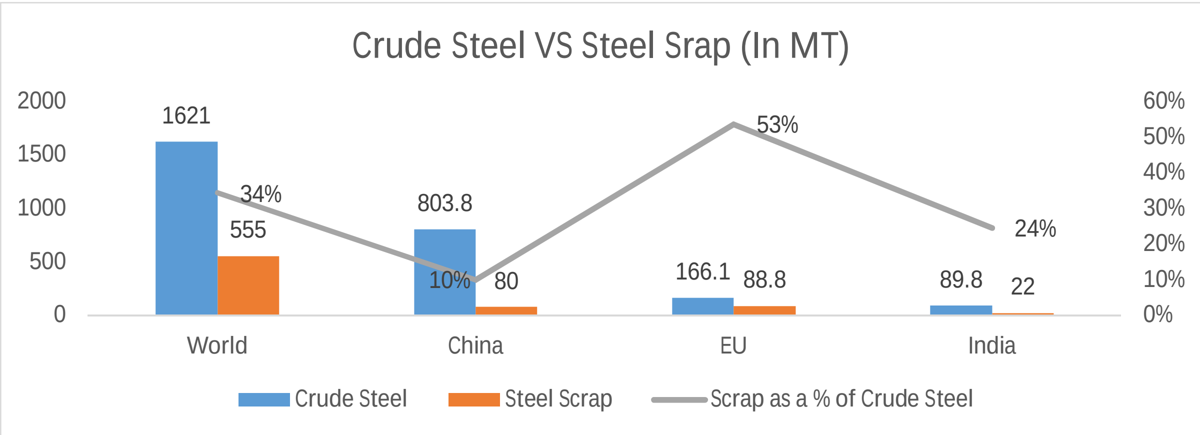
[3] *CPCB Report on Analysis of End of Life Vehicles (ELVs) Sector in India.*
[4] *Indian Automobile Material Recycling Management; ISSN 2319-8753.*

in net import of approximately 6.5 million tons, which clearly indicates the increasing consumption of scrap in India.



Source: MRAI

The share of steel scrap in steel-making in India s currently at 24%, below the global average of 34%. This number is expected to rise to 28-30% by 2020-2021 owing to rising availability of steel scrap and displacement of sponge iron.



Source: World Recycling Report, JPC

An established auto shredding policy and framework is expected to save more than 6 million tonnes of shredded ferrous scrap imports annually, which would result in a lower import bill and reduced forex outgo[5].

The elements of the recycling chain which deal directly with ELVs can be divided into three major steps: pretreatment, dismantling, and shredding. The dismantler first removes all hazardous parts and fluids. This step is called pretreatment. The fluids typically removed include engine oil, coolant, refrigerant, steering oil, washer fluid, antifreeze, transmission oil, brake fluid, fuel, coolant and any remaining fuel. These fluids can either be removed by gravity or using pumps. At this stage, the dismantler typically also removes the tires, batteries, airbags and all parts presenting a potential hazard. After that, the hulk is typically crushed. It is then easy to handle and to transport to the next step: the shredder. The shredder takes the compacted car through hammer mills. These hammer mills shred the vehicle.

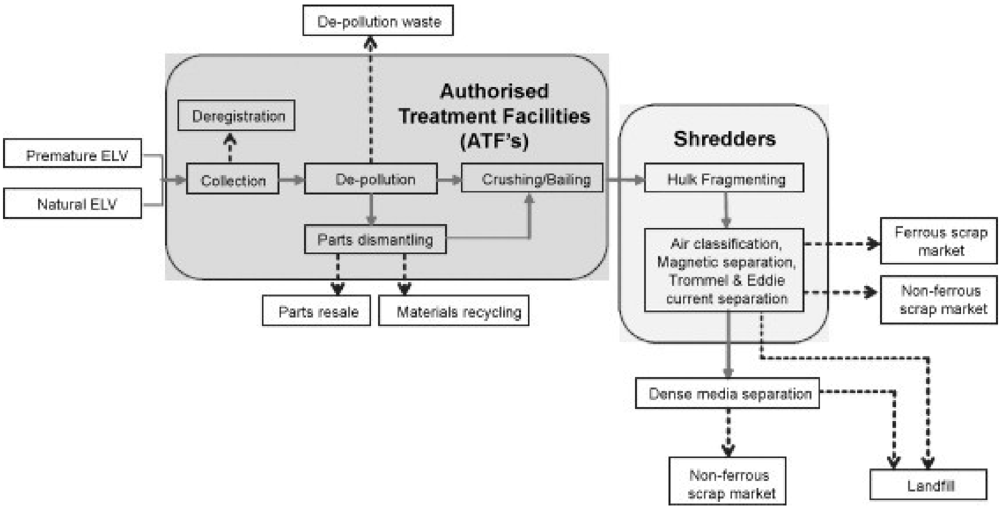
Stages of ELV Management[6]

1. Dismantlers, consisting of two distinct types:
    a. High-value parts dismantlers (high-volume, quick turnover operations targeting late-model vehicles)

[5] *Metal Recycling Association of India.*
[6] *Indian Automobile Material Recycling Management; ISSN 2319-8753.*

b. Salvage scrap yards (low volume, slow turnover accepting most vehicles)
2. Shredding facilities
3. Non-ferrous separation facilities
4. Steel mills (specifically, electric arc furnaces)
5. Landfills

Typical ELV Vehicle Process Chart[7]:



The ELV value chain supports a highly materially efficient trade loop between manufacturers and consumers, channeling valuable resources back into the manufacturing systems once their value as products, or as parts, is fully exhausted – but long after they entered the consumer market as new vehicles.

ELV Sector Circular Value Chain:

Organization of the ELV Sector in India[8]:

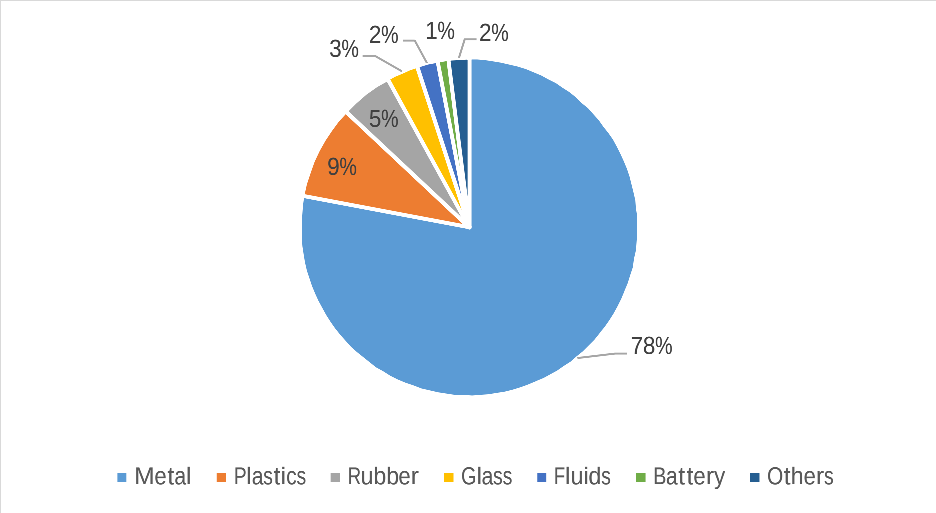
The prevailing informality of the end-of-life vehicle (ELV) sector in India poses significant problems in addressing issues associated with this sector in terms of inefficient and polluting material recovery. The domestic ELV sector has been facing the challenge to continuously adapt the changing material flows, vehicle technology and manufacturing standards used by vehicle manufacturers since the late 1990s. The capacity of ELV operators to adapt is hampered by their limited access to professional development and financial opportunities for business expansion and development.

[7] *CPCB Report on Analysis of End of Life Vehicles (ELVs) Sector in India.*
[8] *CPCB Report on Analysis of End of Life Vehicles (ELVs) Sector in India.*

ELV recycling as a business opportunity has yet to be explored by the formal sector. The existence of a legal and regulatory framework will be instrumental in this sense, as it has been the case for other value chains. In 2006 the government has set up a facility at GARC, close to Chennai (NATRIP), to conduct research specifically on ELV dismantling. A number of vehicles have been provided by the OEMs to initiate research.

Extended Producer Responsibility has been flagged many times during the last decade. According to the law, the principle makes the producer responsible for the goods it manufactures till the end of their life, including their post-consumer handling. EPR prescribes that the costs of managing post-consumer resources be built in the cost of the product itself.

Typical Material Composition of a car:



Policy Frameworks related to ELVs:

Even though a stringent policy framework exclusively for ELV management is not in practice, Indian Government has touched upon several parameters of ELV handling in the existing policies on environment and vehicles.

- Guidelines for scrapping of Motor Vehicles in Delhi, 2018
  The guidelines state that petrol vehicles older than 15 years and deisel vehicles older than 10 years will be stopped from plying on roads. Such vehicles if found parked in public places will be impounded and handed over to licensed scrapping centers. The removal, recycling or disposal of hazardous parts has to be done in an environment-friendly manner as per the guidelines of the Central Pollution Control Board (CPCB) and the Environment Department

- Relevant rules under Environment Protection Act, 1986
  Environment and climate change ministry of India has come up with several regulatory norms for the scientific handling of wastes. Management and Handling of Wastes Rules 1989 and 2008, direct a set of procedures for the handling of hazardous wastes associated with ELVs such as fluids, oils, toxic solids, etc. Recycling or disposal mechanisms of harmful wastes present in ELVs are must be in accordance with the rules defined in this norm. The rules have a list of authentic recyclers, and only the listed recyclers can carry out the recycling activities of hazardous substances present in ELVs as per the established standards[9].

e-Waste recycling in India:

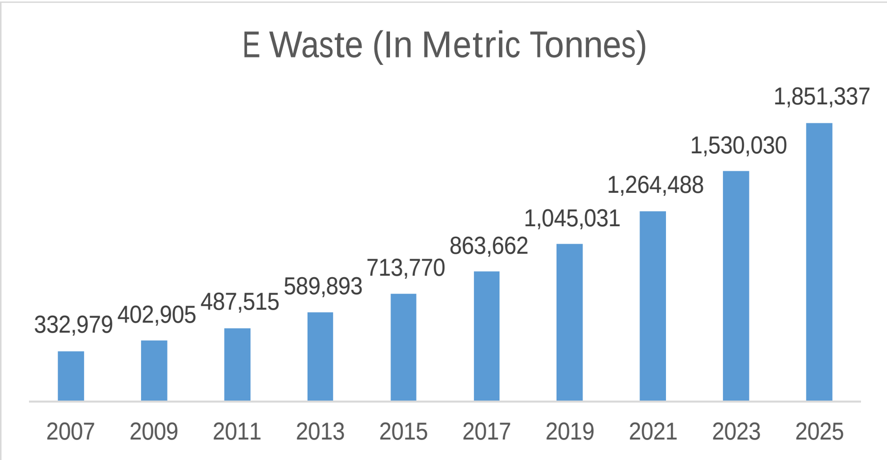
The information revolution has brought about a major change in the manner we organize our economies, industries and societies. These changes have in turn created an enormous amount of hazardous and other wastes generated from electric and other manufacturing products. Electronic waste (e-waste) comprises waste electronics/electrical goods that are not fit for their originally intended use or have reached their end of life. The swift growth in

[9] *End of Life Vehicles Management at Indian Automotive System, Jonkoping University.*

technology and high rate of obsolescence in the electric industry have led to a rapidly growing waste stream consisting of End of Life electrical and electronic equipment, and other products.

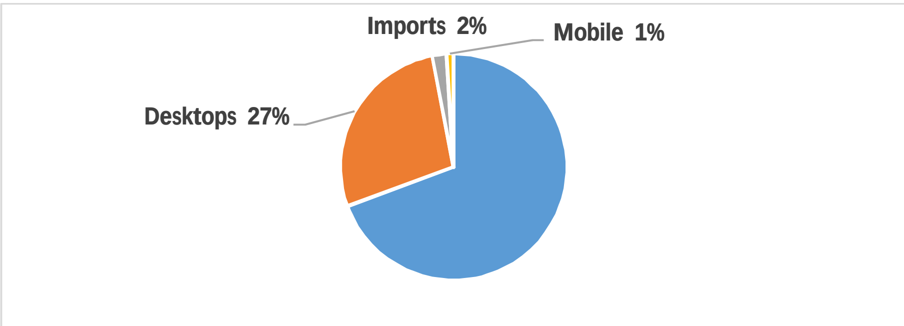
According to International Association of Electronic Recycler (IAER), Globally about to 20 – 50 million tonnes of E-Waste are disposed of each year. There are 10 states that contribute to 70% of the total E-Waste generated in the country, of which 65 cities generate more than 60% of the total E-Waste in India. Among the top ten cities generating E-Waste, Mumbai ranks first followed by Delhi, Bengaluru, Chennai, Kolkata, Ahmedabad, Hyderabad, Pune, Surat & Nagpur.

The "Global eWaste Monior 2014" report compiled by the UN stated that USA and China produced the most eWaste amounting to 32% of the global total. India is the fifth biggest producer behind USA, China, Japan and Germany, discarding 1.7 MT of Electrical and Electronic Equipment (EEE) in 2014. The Department of Information Technology predicts the future estimate of eWaste as follow:



Source: Department of Information Technology

Distribution of the total e-Waste volume in India:



Source: IICE

The UN has predicted that by 2020, e-Waste from old computers would jump by 400% on 2007 levels in China and by 500% in India. Additionally, e-Waste from discarded mobile phones would be about seven times higher than 2007 levels in China and in India 18 timers higher by 2020. India's large and growing middle class of 320 – 340 million has disposable income for consumer goods as of 2015. The Basel Action Network (BAN) which works for prevention of globalisation of toxic chemicals has stated in a report that 50 to 80% of e-waste collected by the US is exported to India, China, Pakistan, Taiwan and a number of African countries. This is done because cheaper labour is available for recycling in these countries.

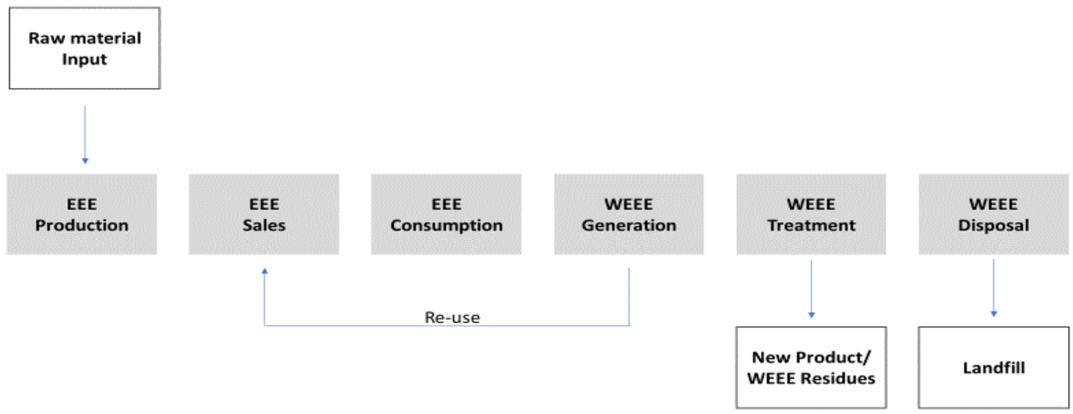
Discard Rate of Electronic Items

Item	**Replacement Rate**
Mobile phone	1-3 years
PC	Every 2 years

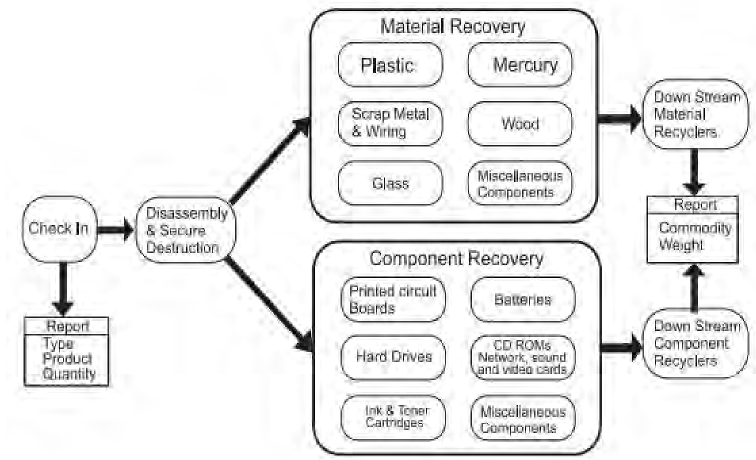
Cameras	3-5 years
Television	10-15 years
Refrigerator	10-15 years
Washing Machine	10-15 years
IT Accessories	Yearly

Source: BAN

Life-cycle of e-Waste



E-Waste Disposal Cycle:



Source: IJSREP

Legislations that cover different aspects of e-waste:

India's Central Pollution Control Board (CPCB) develops guidelines for the environmentally sound management of eWaste in India.

- eWaste Management and Handling Rule of 2011
  The rule mandated producers to be responsible for the collection of eWaste and financing of such collection systems. eWaste dealers, refurbishers, dismantlers and recyclers and required to register with th relevant State Pollution Control Board (SPCB) or Central Pollution Control Board (CPCB). Bulk consumers were at the liberty to auction their waste with the restriction that they may only auction to authorized collection centers, dismantlers or recyclers.
- The hazardous waste (management and handling) rules, 1998 as amended in 2008 for toxic content—registration mandatory for recyclers.

Trading in Goods

Trading in goods forms an integral part of any economy and facilitates the production and sale of end products which are purchased by the consumer. The value chain for most products will include sale of raw material by producer of raw material, multiple layers of intermediaries, procurement of various raw materials by the manufacturer, sales of goods by the manufacturer, multiple layers of intermediaries and purchase of goods by end consumer.

Intermediaries play an important role of enabling efficient price discovery, managing counter-party risk, provide ease of operations and offer economies of scale. However, multiple layers of intermediaries often result in increase in costs to the manufacturer and end consumer and lead to opaque procurement process. This led to the emergence of businesses like large trading houses which helped achieve efficiency in sourcing/ sale of goods in a professional manner. Few of the major benefit that favours the presence of trading houses in the value chain include economies of scale, ability to help with currency management and network reach.

Physical trading business activity refers to a buying or selling activity of various goods in finished, semi-finished and raw material form either in domestic or international market. Such trading activity are often facilitated by trade commissioning agent or trade houses. Thus, a trading house is an importer, exporter, and a trader that purchases and sells products for other businesses. A trading house may source bulk raw material either from domestic or international market on the behalf to end users to facilitate domestic manufacturing business or intermediate traders. The trading houses may also act as a selling entity of raw material or finished goods in international market if acting as export house. Such trading houses may specialize in providing trading business solution in single industry, few or multiple industry segment.

Agro product, coal and coke, finished and semi-finished steel items, non-ferrous metal product, petroleum and petrochemicals are few of the most important commodities traded in India.

Since, sourcing bulk goods on behalf of end user industries involve exposes trading houses to various risk associated with buyers denying the lifting of goods. Therefore, several business models have evolved to mitigate such risk. Few of the known business model practiced by the industry players include cash and carry process, bank guarantee backed procurement or associate supplier model (where trading houses empaneled various other associated suppliers with them for defined time) or internet enabled trading model.

Trading business houses may have warehousing facility or it may even facilitate product delivery directly at buyers' premises in an area which is designated as a stockyard. Facilitating direct delivery at buyers' premises reduces warehousing development cost and custodial expenses of holding inventory. Amidst growing competition intensity, trading houses are also partnering with vendors to provide logistics support and financing solution to their client.

However, such businesses had to provide for large overhead costs and thus they were structurally ill-suited to cater to smaller businesses. In addition, as the economic interest of such intermediaries remained wedded to the spread between buying and selling of goods, the inherent opaqueness in pricing remained.

This led to emergence of business models which were structured as pure intermediation businesses.

OUR BUSINESS

Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled "Forward-Looking Statements" on page 19 of this Red Herring Prospectus for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read "Risk Factors","Financial Information"and "Management's Discussion and Analysis of Financial Condition- Significant Factors affecting our Results of Operations" on pages 25, 169 and 227, respectively of this Red Herring Prospectus, for a discussion of certain factors that may affect our business, financial condition or results of operations.

Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this Red Herring Prospectus. For further information, see section titled "Financial Information" on page 169 of this Red Herring Prospectus.

Unless the context otherwise requires, in this section, references to "we", "us", or "our" "our Company" refers to MSTC Limited on a standalone basis.

Overview

Incorporated in 1964 as a trading company to deal in the export of scrap, we have grown into a large diversified, multi-product services and trading Company. We were a canalising agency for import of ferrous scrap until 1992. After de-canalisation our Company has established itself as one of the leading e-commerce service providers in the country and also is one of the major player in trading of bulk raw material. We have also entered into the re-cycling business through a 50:50 joint venture with MIL for setting up a shredding plant and collection centres across the country. In a synopsis, it can be stated that there are three main business verticals in the Company which are namely, (i) E-commerce, (ii) Trading, and (iii) Recycling through MMRPL.

E-commerce

Our Company is one of the leading PSU entities engaged in providing e-commerce related services across diversified industry segment offering e-auction/e-sale, e-procurement services and development of customized software/solutions. We have emerged as a pioneer in the e-auction segment catering to the Government sector, partnering with different Government agencies and ministries in conducting e-Auctions. We are one of the key players offering comprehensive range of services in e-procurement segment. (*Source D&B Report*).

With an experience of over 1,90,000 auctions, serving over 1,10,000 users as at December 31, 2018, we have emerged as the preferred service provider for various government and Government controlled entities which is demonstrated by the fact that we get repeat business from the same client. Many of our clients are engaging us on a nomination basis based on our strong credentials in e-commerce vertical. We have conducted 28,600 auctions/events during Fiscal 2018 and 30,500 auctions/event for nine months period ended December 31, 2018.

Since Fiscal 2002, our Company is the offering e-auction platform to a large number of Government departments and Government controlled entities. Our Company offers complete package of services from preparation of the auction catalogue to the issuance of delivery orders and advertisements of the same on case to case basis with e-payment and e-wallet facilities. Starting with sale of coal through e-auction way back in 2004, we have been developing different modules of e-auction such as lot wise auction, price quantity auction, tender cum auction, e-tender etc to cater to the various needs of different sellers. Our Company has conducted e-auction for sale of scraps, old plant & machineries, minerals, agricultural produce, coal and non-coal mine blocks, land parcels, tea, gorgon nut, tendu leaves, timbers and other forest produce, etc. A key characteristic of our e-auction is transparency in conducting these services. We are working towards bringing onboard historically unorganized products and sectors to create ease in transacting. We are a nominated service provider for all major mineral blocks and minor mineral blocks of a few states namely, Assam, Chhattisgarh, Jharkhand, Rajasthan and Uttar Pradesh. E-auction of sand mining blocks in Uttar Pradesh has been one of the signature events in recent past. We have also developed an EXIM portal for one of the leading petroleum companies to provide a transparent online platform for their exporting and importing activities. For further details, please refer on page 127 of this Red Herring Prospectus.

We commenced our e-procurement services from Fiscal 2012. Our Company offers end-to-end platform solutions for e-procurement starting from raising of indents to issuance of letter of intent/purchase order for both e-tender and e-reverse auctions. We are backed by mandatory STQC certification for quality requirements. The application modules are primarily developed in-house and comply with the guidelines framed by the CVC, IT Act and its amendments and general financial rules. Our e-procurement portal has been certified by STQC for quality and security checks, thereby providing secured operations and customisation as desired by the client. We provide e-tender and e-reverse auction services for procurement of a range of products including raw materials, industry supplies, coal, electricity and store items etc.

We develop e-commerce modules (i.e. e-commerce application software) for providing customised e-commerce services to our principals. The development of application software portals is done in-house by our team having domain knowledge in respective areas. All the developments are done in-house by a team of expert and no part of any services is outsourced. We have the expertise to customize the application software as per the requirement and changing need of business from time to time as required by various principals. The in-house capability and flexibility of making changes in the software enables us to retain our customers. Our Company has achieved status of CMMI Level 3 maturity, which catapults the company at a 'defined level' for continuous process improvement in the areas of application software.

Our e-commerce system complies with CVC guidelines and IT Act and its subsequent amendments to ensure services to customers in a most transparent and fair manner. Our system department is ISO/IEC 27001:2013 certified from STQC. Our e-commerce division is also ISO 9001:2015 quality certified. We believe that our hands-off, automated bidding services with minimal human intervention has instilled credibility and trust in our customer relationships for many years.

Trading

Since incorporation, we were a canalizing agency for import of ferrous scrap until 1992. After de-canalization, our Company has established itself as one of the established players in trading bulk raw material. The Trading division is engaged in import as well as domestic sourcing of bulk industrial raw material for actual users as well as traders. This division looks after sourcing, purchase and sale of industrial raw materials like low ash metallurgical coke, HR coil, naptha, crude oil, coking coal, steam coal, line pipes etc. on behalf of our customers. We are mainly catering to customers across steel, oil and gas, power sectors in private and public sector.

There are different business models we use, depending on the customer, the materials, and other factors. These include cash and carry model, 110% bank guarantee backed procurement and associate supplier model.

Recycling

To expand our spectrum of operation and to support the steel industry in India, in FY 2017, our Company through MMRPL forayed into the recycling sector. MMRPL is poised to set up one of the organized state of the art auto shredding plant in India for recycling ELVs and other white goods by converting these into shredded scrap which is a vital raw material for steel plants. A collection and dismantling centre with state-of-the-art technology has been set up in Greater Noida, State of Uttar Pradesh as a supply feedstock for the auto shredding plant.

Network of Offices

Headquartered in Kolkata, we have the advantage of a country-wide footprint with four regional offices located in Delhi, Mumbai, Kolkata and Chennai, thirteen branch offices in major cities of India and three site offices. The regional and branch offices are primarily set up to increase customer reach. It helps us to service our existing customers and for acquiring new customers. The development of e-commerce modules and system based activities is carried out of our head office. The day to day operations and other support services are provided by our regional/branch offices.

Manpower

Our manpower consists of an experienced management team and qualified employees. Our Chairman and Managing Director is highly experienced in the field business development, operations, commercial and management with an experience of over thirty seven (37) years. We believe our qualified management team and technically skilled employee base have contributed to our Company's growth. Our Company has been conferred the "*Kolkata Best Employer Brand Awards 2017*" by Dewang Mehta, National Education Awards.

Financial performance

For the half year period ended on September 30, 2018, Fiscals 2018, 2017 and 2016, our total revenue was ₹ 14,915.50 million, ₹ 27,931.50 million, ₹ 18,762.00 million, and ₹ 33,078.00 million respectively.

Our revenues from trading vertical is ₹ 12,075.18 million, ₹ 22,627.50 million, ₹ 13,854.10 million and ₹ 28,114.70 million for half year ended September 30, 2018 and for Fiscal 2018, 2017 and 2016 respectively representing 80.96%, 81.01%, 73.84% and 85.00% of our total revenue for the half year period ended on September 30, 2018 and Fiscals 2018, 2017 and 2016, respectively.

Our revenues from e-commerce vertical is ₹ 1,045.71 million, ₹ 1,900.60 million, ₹ 1,618.80 million and ₹ 1,277.50 million for half year ended September 30, 2018 and for Fiscal 2018, 2017 and 2016 respectively representing 7.01%, 6.80%, 8.63% and 3.86% of our total revenue for the half year period ended on September 30, 2018 and Fiscals 2018, 2017 and 2016, respectively.

For the half year period ended on September 30, 2018 and for Fiscals 2018, 2017 and 2016 our EBITDA was ₹ 803.03 million, ₹ 1,131.99 million, ₹ 2,626.40 million and (₹ 853.50) million respectively.

Competitive Strengths

One of the leading PSU entities engaged in providing e-commerce services to customers in a most transparent, fair and secured manner

Incorporated in 1964 as a trading company to deal in the export of scrap, we have grown into a large diversified, multi-product services and trading company. We were a canalising agency for import of ferrous scrap until 1992. After de-canalisation, our Company has established itself as one of the leading e-commerce service providers in the country and also is a major player in trading of bulk raw material. We have also entered into the re-cycling business through a 50:50 Joint venture with MIL for setting up a shredding plant and collection centres across the country. In a synopsis, it can be stated that there are three main business verticals in the Company which are namely, (i) E-commerce, (ii) Trading, and (iii) Recycling through MMRPL.

We provide seamless service from designing the model architecture to programming and final roll out of e-auction platforms in-house by our employees. Besides, significant portion of the data are stored on our servers. Transparency of operation is given topmost priority in our Company and the checks and balances in the system are designed to ensure the same. Our e-commerce system complies with CVC guidelines and IT Act and its subsequent amendments to ensure services to customers in a most transparent and fair manner. Our systems department is ISO/IEC 27001:2013 certified from STQC. Our e-Commerce division is ISO 9001:2015 quality certified. In addition, we have the distinction of holding copyright for our e-commerce module developed by the in-house team. Furthermore, our Company has achieved the status of CMMI Level 3, which catapults the company at a 'defined level' for continuous process improvement in the areas of application software.

All the aforesaid features give a confidence to existing and future clients in government departments, PSUs and private sector for engaging our Company as a dependable, secure and reliable e-commerce service provider for their business transactions. We believe we have the competence to develop constructive partnerships with national, international, regional and local authorities.

In case of auction where there is pre – bid EMD requirement, we offer e-wallet services for the bidder to pay the pre-bid EMD in order to participate in the auction. The bidders can participate in those auctions as long as the required EMD amount is available in his wallet. With this process no one in our Company will know the identity of the participants in the bidding process, since the bidder is not paying the auction specific EMD amount, thereby helping us to keep the identity of the bidder confidential and enhancing the transparency in the process.

Ability to create a virtual marketplace for any physical commercial activity thereby creating value for all the stakeholders.

Our strength lies in our ability to convert any business activity conducted through brick and mortar method and/or in any other method to online activity. We have a proven track record of providing e-commerce platform for various types of products across diverse industries. We have conducted e-auction of variety of materials such as coal, minerals, scrap and most recently items such as onion, litchi, blackpepper, pineapple, hill-grass in agri-products, tendu leaves, timber, sal seed in forest products, human hair, fly-ash etc. We have also undertaken the e-auction of land parcels, apartment banks' NPAs and also assets under DRT etc. The first ever e-auction of sand mining block in the State of Uttar Pradesh has fetched substantial revenue for the state exchequer as compared to the pre e-auction era where the auctions use to get conducted via physical auction.

The north eastern region of India is rich in agriculture and forest produce such as ginger, pineapple, black pepper, cardamom, amla, orange, orchid, etc. But the growers do not have sufficient market access for their produces and the necessary logistic support, which renders them hapless for their minimal remuneration. Looking at the vast potential of north eastern region of India, our Company has implemented the e-Auction model to sell the agro and forest produce in the North East region of India. This online platform created by our Company will not only improve the financial status of the growers but will also prevent the colossal wastage of the agri produce and make available niche products to the mainland of the country.

First mover advantage on account of domain expertise in providing e-commerce services thereby helping to boost our business

Our Company is making rapid strides in the e-commerce sector in line with the government policy(ies) of promoting Digital India and e-governance in all sectors of the economy. We are in the forefront of the implementation of various initiatives of GoI such as Digital India to boast transparency and fairness.

Ours is the first company to have conducted e-auction for sale of coal for Coal India Limited way back in 2004. Since then, we are conducting e-auctions for sale of coal on behalf of Coal India Ltd. Acknowledging our experience to handle critical, sensitive and time bound assignments, we have been mandated to conduct e-auction for sale of iron ore from Karnataka and allocation of coal blocks and mineral blocks of Iron ore, Limestone, Tungsten, Diamond, Gold, Bauxite Blocks in various states.

We have developed and implemented e-reverse auction portal for imported thermal coal which has made import of coal easy, hassle free and economical. NTPL has utilized the system for procurement of 1.4 million tons of coal and immensely benefited by reducing their cost of procurement of this critical raw material. Taking a cue from this, other clients have also sought for the similar services of our Company.

We have conducted successfully e-auction of confiscated red sanders in Andhra Pradesh. In these e-Auction bidders from foreign countries also participated. Governments of Maharashtra and Tamil Nadu have also appointed our Company for e-Auction of Red Sander.

On behalf of certain oil marketing companies, we have developed online draw system for selection of dealership for LPG across the country. The transparency in the process has developed such a confidence among all the stakeholders that they have also entrusted us with the job of developing a similar online draw system for distribution of retail petrol pumps. The system for the same has already been developed and we are in the process of launching the same.

Our Company developed E-RaKAM portal which is supported by our marketing and logistic partner CRWC Limited. E-RaKAM is the digital initiative bringing together the farmers, FPOs, PSU, civil supplies and buyers on single platform to ease the selling and buying process of agricultural products.

Our JVC, MMRPL has set up a collection cum dismantling center at Greater Noida, State of Uttar Pradesh for processing of scrap from the ELVs and other white goods. This is one of its own kind in India and will go a long way in recycling special grade steels besides substituting imports for such materials. The joint venture is in the process of setting up a shredding plant for shredding ELVs and white goods.

Robust, advanced and scalable technology platform

We believe our IT infrastructure is the most sophisticated and robust in the country which enables us to take up e-commerce services in a secure and transparent manner. Our IT department is equipped with the powerful servers having robust processing power and can handle thousands of concurrent hits. The servers are located in our head office at Kolkata and our regional office in Mumbai. Mumbai Disaster Recovery site has a similar set up as that of the Kolkata Data Center. Our software has several in-built provisions which prevent cartel formation and ensures transparency and fairness. The servers are highly energy efficient leading to saving of power and these servers are in operation with redundancy and in high availability disaster recovery mode for providing uninterrupted services to our stakeholders like principals, bidders and other users. Our server in Kolkata is manned round-the-clock throughout the year. The systems department is well equipped with qualified professionals whose skills are continuously upgraded with training on latest technology. Our system department is ISO/IEC 27001:2013 certified from STQC, a GoI Department.

All the information/data relating to our client is stored in our in-house servers thereby ensuring data security and avoiding risk of hacking through periodic vulnerability assessment and penetration testing by STQC. Our server rooms have restricted access with access-controlled cards and automated recording of entry and exit with 24*7 CCTV recording and monitoring.

Further, security appliances like Firewalls and IPS are in place to prevent unauthorized intrusion with latest signatures. The security feature 'Write Once Media' which captures the Audit trails on a non-editable media, has been the hallmark of our-Commerce system. We believe that our hands-off, automated bidding services has instilled credibility and trust in our customer relationships for many years.

We have implemented 256-bit secure sockets layer in our web server. Periodical Application Security Testing is conducted by STQC. We conduct our business through a dedicated 155 Mbps Internet Lease Line (ILL) and also have a standby ILL connectivity taken from a different provider.

We consistently provide transparency in our e-commerce dealings. Specifically, we ensure that our e-auction executions contain zero manual intervention. By instilling e-auction platforms that are fully automated and predictable, the customer can be rest assured that no Company employee is manipulating the bids. This creates an auction process that is not only fair, but completely understood by all parties. Because we deliver transparent e-auctions, we have instilled trust into our customers. This in turn boosts our reputation and credibility, and helps in retaining our customer and attracting new customers. We believe our technology platform has a high level of reliability, security and scalability and has been designed to handle high transaction volumes.

Experienced management team and qualified workforce

We believe our qualified management team has contributed to the growth of our operations and the development of our in-house processes and competencies.

We believe that the experience and execution capabilities of our management team enable us to effectively respond to evolving consumer trends and target strategic growth opportunities.

We also believe our Key Management Personnel's understanding of the industry trends, demands and market changes, have enabled us to adapt and diversify our operating capabilities and take advantage of market opportunities. Our Key Management Personnel are ably supported by our employees. As of February 28, 2019, we had 353 employees, including a large number of software engineers and information technology experts. The skills and energy of our employees enable us to respond to the most important challenges in the e-commerce market and quickly understand and adapt to rapidly changing consumer demands. We continue to focus on the development of the expertise and know-how of our employees, and our personnel policies are aimed towards recruiting talented employees, facilitating their integration and encouraging the development of their skills.

Our Strategies

Diversifying our customer portfolio to increase private clientele in our e-commerce vertical.

In our current business operations, under e-commerce vertical, a significant portion of our revenue is derived from government and government-controlled entities. For the half year period ended on September 30, 2018, Fiscal 2018, Fiscal 2017 and Fiscal 2016, revenue from government and Government-controlled entities contributed ₹ 908.85 million, ₹ 1641.84 million, ₹ 1505.66 million and ₹ 1205.41 million respectively to our total revenue from e-commerce vertical. Going forward, our Company is considering to onboard clients from private sector and improve the mix of both government and private clients. We intend to offer the solutions which we have developed for our PSU clients to other companies in the private sector. For instance, our Company was mandated by Indian Oil Corporation Limited to develop a transparent, online platform for their exporting and importing activities. One of the main problems faced by petroleum companies is the lack of a well-functioning, market-determined price discovery system. Our online platform serves to remedy this. These modules are the first of their kind in India. So far, their designs allow the transparent and efficient export and import of petroleum products like high speed diesel, gasoline, benzene, bitumen, naphtha, and others. Given the success of this module with one of the leading petroleum companies, we will market this solution to other petroleum companies.

Continue to focus on and further develop e-commerce business by capturing the untapped markets

We will continue to expand our areas of e-commerce operation with our expertise to convert any physical commercial activity to online activity. We are working towards bringing onboard historically unorganized products and sectors to create ease in transacting and generating maximum revenue for the principals. Our Company is collaborating with various government entities to develop an ecosystem that will benefit all stakeholders with fair and transparent way of conducting business with maximum participation. We will leverage on the existing offices and branch network to identify regions where there are distress and forced sale of agricultural produce. This will enhance the reach of producers and will provide transparency in pricing and enable traders from across regions to bid for the produce. This would result in elimination of middlemen and commission agents from the value chain.

We have recently launched JaivikKheti portal for sale of organic farm produce throughout India at the behest of Ministry of Agriculture, GoI. Organic farmers serve as the sellers, and the bidders include a variety of processors, traders, and even individual consumers. The transactions are to be conducted on a fixed-price basis as well as through competitive bidding. While the portal currently only provides for the sale of organic farming produce, we aim to further diversify the agricultural products that will be auctioned through this portal over a period of time.

Besides, we are engaging with the GoI for implementation of its various flagship innovative schemes through our e- commerce portal. One such scheme is disinvestment of CPSEs through the e-commerce route and the same is being spearheaded by DIPAM for divestment of PSU through a digital portal.

Foray into e-commerce backed trading for better price discovery and transparent transactions

We are also gearing up to take up e-commerce enabled trading business. This model will be a less risky business than the existing trading business model and would provide for better price discovery, transparent transactions and global reach. We will engage in e-commerce driven trading by discovering the price through e-reverse auctions for procurement of raw materials. Our Company will aggregate the demand of buyers for a particular material. Under this model, our Company will float an e-commerce event (e-tender and reverse auction) for discovering the lowest price (L-1 rate) Once the L-1 rate is accepted by the buyer, they pay the required security deposit. Our Company subsequently places the purchase order on the foreign supplier and opens LC. The materials are shipped and sold to the buyer by way of High Sea Sale. The materials will be kept in a third party location and a charge will be created in favour of our Company and material will be released against payment received. Further, in case the customer defaults in making the payment, then our Company will resale the material procured through the e-auction platform to recover the dues thereby eliminating the risk of non-recovery of dues faced in the traditional mode of Trading business.

Diversify into B2C segment

With the advent of government policies pertaining to implementation of GST and e-way bill, the need for transparency in metal trading has buoyed up. We would like to capitalise on this development. We will endeavour to bring more metal producers on MSTC Metal Mandi portal to sell metals such as steel, aluminium to customers, thereby creating centralised online portal for all of each such metal trade. “M3” mobile app has been launched in order to connect with the retail buyers and assist them in placing orders on the go using a smart phone. This will help to cater to a large customer base as compared to traditional trading. Use of online portals and mobile app to facilitate trade between the domestic producers and players from different industries will eventually result in the elimination of channel partners and commission agents from the value chain and will allow players from across the country to participate in the e-auction.

Any retail buyer can place orders and send enquiries to the registered sellers on the “M3” MSTC Metal Mandi portal for the product that they are interested in buying. We are extensively marketing “M3” in rural areas and North Eastern Region of the country for reaching out to the retail buyers. Products like “modular toilet” can be easily purchased by retail buyers which is available on “M3”. We are also trying to register sellers dealing in “engineering goods” and the “construction sector” as retail buyers might be interested in buying such products at a competitive price in a transparent and hassle-free manner.

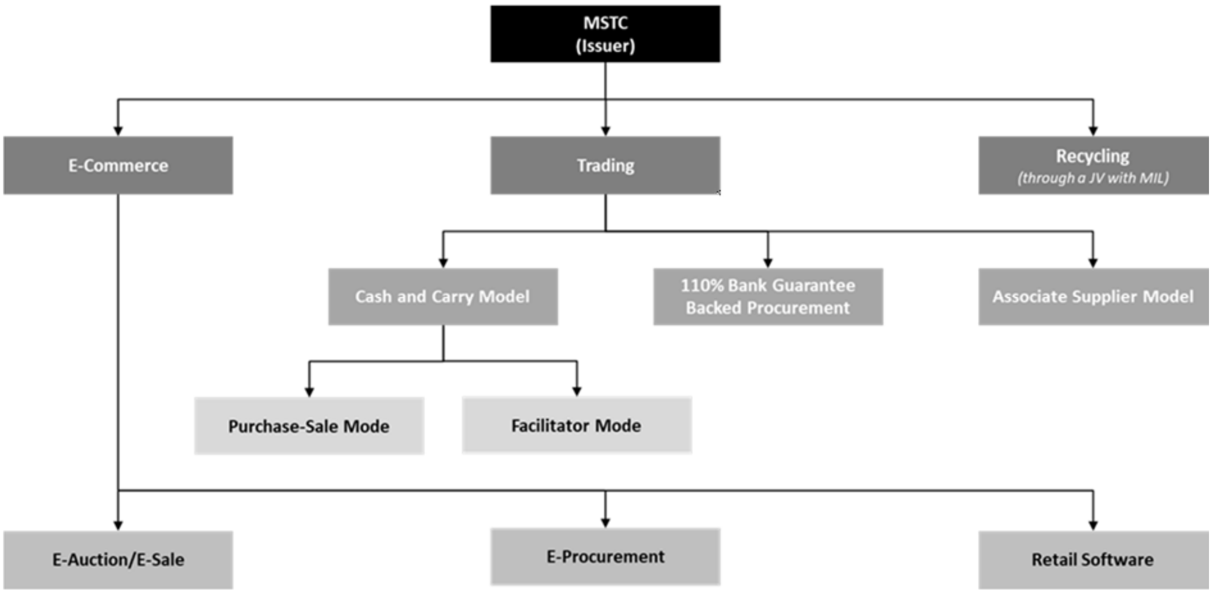
On the same model, we further plan to launch e-shopping mall for handicrafts, apparels, painting, etc. in various states to promote Cottage Industries tie up with state governments.

__Develop the recycling business__

We intend to further augment and develop our recycling business by investing in recycling capacity building. We are spearheading various initiatives of converting presently unorganized recycling sector into an environmentally sensitive recycling sector.

In addition to our expansion in the auto shredding venture, we will in the future foray into recycling of e-waste. India is amongst the largest producer and importer of e-waste. E-waste management in India is disorganized and un-scientific with most of them disposing rather than recycling. E-waste in India is growing, with a very low percentage of it being properly recycled due to poor infrastructure, legislation and framework. The States of Maharashtra, Tamil Nadu, Uttar Pradesh and Andhra Pradesh, New Delhi produce the largest quantities of e-waste in India. Hence, these locations would be ideal for setting up an e-waste facility. We may either partner with an established collector, dismantler or recycler for setting up the e-waste facility in order to dispose and recycle the e-waste in an environmentally sustainable manner. We will sell the precious metals extracted from e-waste on our online platform for better realisation.

Our Service Offerings



A. E-Commerce

In this segment of business, our Company acts as service provider for e-auction/s-sale, e-procurement and development of customized software/solutions. Our revenues from e-commerce constitutes 7.01%, 6.80%, 8.63% and 3.86% of total revenue for half year period ended on September 30, 2018, Fiscal 2018, 2017 and 2016 respectively. The total volume of business under our e-commerce vertical for half year period ended on September 30, 2018, FY 2018, 2017 and 2016 is as under:

(₹ in million)

Volume of Business	For half year period ended on September 30, 2018	Fiscal 2018	Fiscal 2017	Fiscal 2016
E-auction/e-sale (A)	248,716.90	363,901.50	327,168.00	206,773.00
Scrap Disposal and e-sale	*154,810.60*	*195,815.20*	*172,160.40*	*78,663.7*
Coal e-auction	*64,644.7*	*99,588.70*	*101,662.30*	*81,844.40*
Iron ore e-auction	*29,261.60*	*68,497.60*	*53,345.50*	*46,264.9*
E-procurement (B)	298,144.00	362,689.60	140,414.90	57,597.5
Total (A+B)	**546,860.90**	**726,591.10**	**467,583.10**	**264,370.50**

Remuneration in conducting sales/procurement on behalf of principals, by way of auctions, tenders, or any other means, are accounted for as service charges. These are either contracted rates or percentage basis of the contract amount. Service charge forms bulk of the revenue earned by our Company.

E-Auction / E-Sale

The e-auction/e-sale is an e-business between seller and bidders, which takes place on an electronic marketplace. Electronic auctions are forward auction in which several buyers bid for one seller's goods.

Since 2002, we are an e-auction service provider to a large number of government departments/PSUs. It comprises of forward e-auction for scraps, condemned items, old plant and machinery, surplus stores, land parcels, etc. and e-sales for minerals and various other raw materials.

We offer e-auction services to various PSUs, government departments and private entities to deal in the sale of scraps, old plant and machineries, minerals, agricultural produce, coal and non-coal mine blocks, land parcels, tea, gorgon nut, tendu leaves and many other materials. We are working toward bringing onboard historically disorganized products and sectors to create ease in transacting and generating maximum revenue for the principals. MSTC is a nominated agency for all major mineral blocks and minor mineral blocks in few states, namely, Assam, Chhattisgarh, Jharkhand, Rajasthan and Uttar Pradesh. We offer complete packages of services - from offering guidance in relation to making of the lots for the purpose of auction, the preparation of the auction catalog to the issuance of delivery orders. We do the publicity of the auction through our website and other internet tools to all the buyers who are registered with the auction website i.e. https://www.mstcecommerce.com, regarding all the forthcoming e-auctions specifying therein all the relevant details about the materials/lots, date & time of opening and closing of the auctions.

Once we obtain the customer, we first enter into "selling agency" agreements. There are currently over 600 subsisting selling agency agreements. Our agreements typically stipulate a duration of fixed term with a flexibility to increase the duration or are open ended, with a right to both parties to terminate with notice. We usually charge a one-time set-up/registration fee to our buyer. The majority of our agreements are percentage-based, while a few consist of a flat fee. All of our contracts stipulate that the buyer and seller bear the delivery risk and payment risk respectively.

Once we enter into the agreement with the principal, we initiate the process of registering the bidders. Advance notice of selling events is sent by e-mail to the registered bidders. Auctions are thereafter held on a pre-announced date and time. Basis the volume of the transaction, specific requirement of the principal and requirement of allowing only genuine bidders, in some auctions the bidders have to deposit the pre-bid EMD prior to the commencement of the bid to become eligible to participate in the bidding process. In most of the auctions for general scrap items, the EMD amount is to be paid only by the successful bidders within a stipulated time after the bidding is completed.

We require the seller to provide a material list with detailed specifications and descriptions, locations, quantity, quality, and application rates of taxes, if any. To combat and prevent errors, we create an online catalogue for each sale which details each product to be auctioned. We do not take any responsibility of the product being auctioned. The potential buyer must satisfy themselves about the authenticity of the product being auctioned. In almost all cases, in the tender document we specifically provide that the buyers should verify the product before taking part in the auction and the goods will be provided on "as is where is basis" and we are a mere service provider and provide platform as an interface between the seller and buyer.

Prior to the commencement of the auction, the seller is required to feed the reserve price of the products up for auction into the system using their login ID and password. If the value of the products is unknown to the seller, our services will also include assisting the seller by providing market feedback, based on our previous experiences with similar products, which helps the seller in determining the reserve/selling price of the products. Once the auction is created for a product(s), a notification email is circulated to all the registered buyers.

Before the auction starts, the reserve price is fed into the system by the principal (i.e. the seller) using their login ID and password. The buyers will be required to bid during the given schedule of the auction. However, in order to discover the best price we also have a mechanism called auto extension of closing time wherein in most of the cases if a bid is received within 8 minutes prior to the closure of the auction, the time of closing of that particular lot for which the bid has come, will be extended by a further period of 8 minutes. This auto extension process continues as long as bids are received during the last 8 minutes of closing time. If no bid is received within the last 8 minutes, the bidding for the lot closes. If the highest price exceeds the reserve price or is within the tolerance limit as the case may be, then automatic sale intimation letter is issued by the system without any manual intervention making the system transparent. The auction continues even beyond the stipulated closing hours until no bid is received for a specified period of time.

We introduced a concept called Subject to Approval ("**STA**") to further enhance this feature of our service. The seller can opt for an STA feature in the auction in order to provide a specific minimum price range that, while below the reserve price, would still be acceptable based on that particular seller's decision. Further, automation in pre-bid EMD collection, activation and refund request through online has made our e-auction system user friendly and transparent.

In some cases, we provide end-to-end solutions. This process includes not only the use and execution of our e-auction portal services, but also our mediation services between the seller and eventual buyer regarding issues such as delivery, form of payment, and other necessary logistical features of the transaction. However, the actual execution of those logistics usually does not involve our Company.

A big component of our e-auction operations is complying with various GoI regulations. For example, there are certain raw materials, including hazardous waste, e-waste, used/waste oil and lead, that can only be sold to authorised recyclers approved by pollution control board. As a result, part of our operations includes ensuring that each individual e-auction has the proper filtering mechanisms to only invite the proper buyers or sell the proper products for such materials.

Our operations also encompass outreach and education to the community. We conduct road shows and workshops to generally educate the markets about our e-auction services and their benefits.

Payment model

There are three mode of payment model offered to the principals:

(a) where buyer pays the entire money to the Company who in turn transfers the amount to seller after deducting its service charges;
(b) buyer pays service charge to the Company and remaining amount to seller;
(c) buyer pays entire money to seller and seller pays service charge to the Company.

Revenue model

We generate revenue from registration fee on case to case basis from bidder. We also have a life time registration concept wherein a bidder can register with us by paying one-time registration fee and will not be required to pay any further registration fee at the time of bidding. We generally don't charge registration fee from the Principal as it will restrain principal from coming in and taking advantage of our portal. We collect service charges at the contracted rates from the principal.

E-Procurement

E-procurement is the electronic transaction between a buyer looking for several sellers to fulfill their purchase requirement.

We commenced our e-procurement services from 2012. We have developed an e-procurement portal which can be customized to cater to the needs of the client. We have carved a niche in providing customised procurement solutions.

E-procurement applies user friendly e-commerce technology to simplify and streamline the purchase process and to integrate buyers' and suppliers' business processes. It is an efficient process which eliminates paperwork and human intervention and also aims to eliminate any possibility of irregularities. This also enables total transparency in the system. The system complies with the guidelines framed by STQC for quality and security checks. The direct benefit includes reduction of price of purchase, improved contract compliance, reduced administrative cost, visibility of customer demand, reduction of inventory cost and procurement cycle time. It is needless to mention the intangible benefits viz. analysis of supplier data, performance, market situation and others, besides the intangible but significant benefit by way of increased confidence of the vendors due to the transparency of the operations accrue to the Buyers.

Presently, our Company is offering 4 models for e-procurement to fulfill the various requirements of different buyers:

a) **E-tender:** Physical system converted in to electronic tender. Buyers can decide eligibility of the vendor. Eligible vendors can quote from any place over internet. The buyer has the option of obtaining the techno-commercial price bid over the internet. The technical bid is opened on a scheduled date and technical evaluation is done by the buyer. After the evaluation is completed the system allows to open the price bid of the technically qualified bidders only. To ensure the participation by a reputed seller the buyer has the option for a limited tender. In this case only the vendors allowed by the buyer will be able to participate in the tender. The buyer has the option of inspection for physical verification during technical evaluation. In e-tenders the vendor has the option of revising their bids any numbers of time within the scheduled close date and time.
b) **Reverse e-auction with price bid:** This is the reverse of forward e-auction. Buyers can decide the eligibility criteria of vendors. Techno-commercial bids can be obtained mostly over the internet. Only the vendors fulfilling the techno-commercial criteria can participate in price bidding, which is progressively lowered by the bidders.
c) **Reverse e-auction with quantity and Price Bidding:** Same as (b) above. In addition to price, vendors can bid the quantity they desire to supply.
d) **Tender cum reverse auction:** Combination of (a) and (b).

All the suppliers need to be registered online on the portal. Eligible vendors can participate in the programmes online from anywhere.

Revenue model

In the case of e-procurement, service charges are collected from the buyer or transaction fees are collected from the vendor/supplier before participation in the event. Pre-bid EMD by vendors is optional depending upon the specification from the principal.

Retail Software

Retail software as a sub-vertical is a relatively new service offering of our Company which was launched in Fiscal 2017. We develop various ERP solutions software, viz., inventory management, P&A & F&A packages, dashboards, etc. The development of application software portals is done in-house by our team having domain knowledge in respective areas. The ownership of the application software is with us and we can customize it from time to time to suit the requirement of various principals.

Over the years, we have developed deep understanding of various sectors in which we provide services. Further, our regional and branch offices across the country help in maintaining and establishing customer connect and are better poised to understand the business requirement of the customer in different states. Our domain knowledge together with better understanding of customer requirement enables us to design customised solution.

Recent Milestones in E-Commerce

Listed in the table below are some of our most recent milestones in e-commerce:

Project	Achievements
E-Bidding Platform under DDUGJY	Proposed by the Ministry of Power, we developed e-bidding portal for DDUGJY & IPDS to augment and strengthen sub-transmission and distribution infrastructure of the country. The aforementioned schemes were implemented to facilitate and handhold states in mobilizing major equipment/material used for transmission and distribution infrastructure of desired quality with standard technical specifications at competitive prices through transparent bidding. We are associated with the aforementioned scheme to provide e-tender and e-reverse auction which shall be utilized to purchase of the equipment/materials under the DDUGJY/IPDS schemes.
E-Auction of sand mining blocks in the State of Uttar Pradesh	We recently created an e-auction portal for the government of Uttar Pradesh for the allocation of sand mining blocks. The arrangement is to conduct e-tender cum e-auctions for minor mineral blocks on behalf of

	government of Uttar Pradesh. Each of the auctions conducted by us for the aforementioned project is carried out in two stage processes wherein the bidders are required to submit their initial price offer for the bid which shall not be below the royalty rate as notified by the government, thereafter the bidder qualified for the bid are required to do the bidding for the mineral block which will start from the highest initial price offer quoted by any of the bidder. The purpose of conducting e-auction of mineral block by government is to increase maximum participation and maximum revenue to the government. We have conducted approximately 435 auctions of sand blocks and letter of intent have been issued for approximately 336 blocks. Due to the success of the aforementioned auction various government department of different states are considering to auction the mineral through same manner.
UDAN	The Ministry of Civil Aviation, GoI, has released the National Aviation Policy, 2016 with one of the objective to enhance regional air connectivity through fiscal support and infrastructure development. Executed with the Airports Authority of India, the goal of this program is to enhance growth in aviation sector by establishing regional air connectivity to materialize through open market mechanisms in terms of airline assessing demand on various routes, developing networks through deployment of appropriate capacities & technologies, infrastructure development etc. We have developed the e-bidding platform for this project for providing facility to airline operators to submit their proposals for flying airlines between routes and networks between different airports and to quote viability gap funding required to operate flights between these airports.
DEEP Portal	DEEP is a business venture under our e-procurement sub-line of business. We have built e-platforms for short-term, medium-term (three months to five years) and long-term (more than seven years) power procurement activities. The DISCOMs procure their power requirements through this e-reverse bidding platform at a very competitive price. This portal is used for establishing PPAs between the DISCOMs and power generating companies across the country.
"M3" MSTC Metal Mandi	We have launched M3 MSTC Metal Mandi ("**M3**"), a virtual marketplace for the trading of metals, ores, engineering goods, and other products. It essentially provides a one stop platform for sellers and buyers, displaying the products and offerings of MSMEs. More recently, in addition to the open-market-style of this portal, we also have begun to adopt an inquiry-based process where prospective buyers submit to us the products they desire, both quantity and price range. We then facilitate the negotiation and eventual trade between that buyer and a suitable seller. There is no registration fee for either sellers nor buyers. Instead, we generate income from this project by instituting a markup based on the tonnage of items sold and purchased.
EXIM Portal for one of the leading petroleum companies	Our Company was mandated by one of the leading petroleum companiesto develop and maintain an e-procurement portal in relation to e-forward/reverse auction facility for their exporting and importing activities. One of the main problems faced by petroleum companies is the lack of a well-functioning, market-determined price discovery system. The way the industry is set up right now with exporting and importing products, organic competition is not developing. This leads to the fair market price of petroleum never being truly discovered, which in turn drains these companies' financial resources as they blindly attempt to price their products. Our online platform serves to remedy this. The exporting module consists of e-tendering and forward auctioning. First, the bidders submit their tender price which triggers the forward auction for further improvement in price. The importing module,

	likewise, consists of e-tendering followed by e-reverse auction. These modules are the first of their kind in India. So far, their designs allow the transparent and efficient export and import of petroleum products like high speed diesel, gasoline, benzene, bitumen, naphtha, and others.
e-RaKAM (e-Rastriya Kishan Agri Mandi) Portal	On August 1, 2017, we launched a nation-wide electronic portal for trading exclusively in agricultural produce, with the support of the Honorable Minister of Consumer Affairs, Food, and Public Distribution and the Honorable Minister of Steel. The platform primarily deals in food grain, vegetables, fruits, spices, and more recently, pineapple and ginger, among others. The services include forward auctions, procurement and fixed price sales.
JaivikKheti Portal	The JaivikKheti project is a marque project of Ministry of Agriculture primarily focusing on organic farming and organic produce. The web portal of jaivikkheti is a single window service platform for farmer, regional councils or anybody interested in organic farming. This portal also have a dedicated e-commerce window (marketplace) for selling and buying of organic produce with an inbuilt payment gateway.

B. Trading

Our revenue from trading line of business 80.96%, 81.01%, 73.84% and 85.00% of our total revenue for half year period ended on September 30, 2018, Fiscal 2018, 2017 and 2016 respectively. We import and domestically source bulk industrial raw materials on behalf of end users and intermediate traders. Secondary steel producers and the petrochemical industry make up the majority of our customer base. The total volume of business under our trading vertical for half year period ended on September 30, 2018, FY 2018, 2017 and 2016 is as under:

(₹ in million)

Particulars	As at September 30, 2018	FY 2018	FY 2017	FY 2016
Imported materials	10,584.10	22,530.00	19,224.30	13,502.70
Indigenous materials	32,119.40	70,988.10	26,752.20	30,319.60
Total trading volume	**42,703.50**	**93,518.10**	**45,976.50**	**43,822.30**

We mainly source, purchase, and sell, on behalf of our clients the following:

i) Iron bearing materials like scrap, DR pellets, DRI, calibrated lump ore, HBI, etc.
ii) Coking Coal & Coke.
iii) Finished and semi-finished steel items like HR coil, CR coil, wire rods, billets, etc.
iv) Petroleum & petrochemical products.
v) Any other industrial raw material, preferably bulk in nature or high values as per the requirement of client.
vi) Imported thermal coal.
vii) Line pipes.

Our Company does not have any warehouse of its own. Materials procured and sold to customers are pledged back to us as security towards payment. Materials are released on payment. For keeping the pledged material procured on behalf of customers, an area inside the plant of customer is designated as stockyard of the company and the material is kept in that stockyard under the supervision of a custodian. The operational modalities of the stockyard are governed by tripartite agreement signed between our Company, the customer and the custodian who is appointed for the warehouse management services. Our Company pays a token fee to the customer for the use of stockyard and custodian charges are paid by our Company which is subsequently recovered from the customer.

Essentially, we serve as an enabler and connector for various industries to procure raw materials. Trading done on a purchase-sale mode, substantially adds to our turnover.

There are different business models we use, depending on the customer, the materials, and other factors. The brief of each of the business model under Trading vertical is as under:

1. Cash-and-Carry Model

The business module followed by our Company involves entering into an agreement with the customer specifying the commodities/raw materials which we will import or procure from indigenous sources. A security deposit is collected from the customer. The service charge collected is a percentage of the actual procurement value. On signing the agreement, the customer indents its requirements and the actual sourcing is done. The materials are thus procured either by way of import or indigenous mode is pledged back to the Company and is kept in the custody of a third-party custodian in the buyer's premises in an area which is designated as a stockyard. Thereafter, the customer lifts the material on cash and carry basis after due authorization by our Company to the custodian. The process of cash and carry can be in two modes i.e. a) purchase–sale mode, or b) facilitator mode. In the purchase sale mode, the volume of the transaction is reflected as turnover of the Company and in the facilitator mode, the volume of business is not taken as turnover since the Company is not holding the ownership of the goods at any point of time.

2. 110% Bank Guarantee Backed Procurement

The Company has also developed another scheme under which procurement is done on the basis of back up bank guarantee submitted by the customer which is issued by a scheduled commercial bank. This bank guarantee which is to the tune of 110% of the procurement value acts as a security against the exposure taken by our Company for a particular customer.
This scheme is suitable for Customers who have sanctioned unutilized BG limits which can be used for procurement of raw materials and commodities for their projects or for trading. The procurement is done on behalf of the customers and the exposure of the Company is backed by the 110% bank guarantee retained with us. The payment is released to the customer's supplier directly by way of LC/RTGS in facilitator mode for import or for domestic procurement. The material is then directly shipped to the customer thereby eliminating the need for storage. This results in saving money on warehousing and custodial expenses.

3. Associate Supplier Model

In addition to the existing models of trading we are also supplying imported thermal coal and line pipes to different consumers under the associate supplier model. The empanelment of associate suppliers is done through an open tender process for a fixed tenure. The Company participates in tenders floated by the buyers with the complete back up of the associate supplier. Payment is released to the associate supplier only after receipt of same from the buyer. All the arrangements are on a back-to-back basis with the Associate Supplier.

C. Recycling

To expand our spectrum of operation and to support the secondary steel industry in India, our Company forayed into recycling sector by forming a 50:50 joint venture with MIL. A JVC named MMRPL is one of the organized auto shredding plant in India for recycling ELVs and other white goods by converting these into shredded scrap which is a vital raw material of secondary steel plant. A collection and dismantling centre with state-of-the-art technology has been set up in Greater Noida, State of Uttar Pradesh as a supply feedstock for the main auto shredding plant.

MMRPL procures obsolete vehicles and white goods from various individuals, government-facilitated auctions, insurance companies, and others. This takes place at our collection center, which serves as one-stop shop solution for those with discarded scrap goods. Then, we transport them to our recycling facility, a dismantling and shredding plant. Our first plant is fully operational in Greater Noida, State of Uttar Pradesh. The campus is spread across 5 acres out of which workshed area is approximately 43,450 square feet. In the next step of the operations, we disassemble the items. This includes depolluting the items by taking out any hazardous materials, such as car batteries, as well as dismantling any soft parts not fit for recycling. Next, the remaining metal scrap is either shredded by our state of the art baler cum shearer. We then utilize heavy-duty magnets to sort the ferrous metal, such as iron, from the non-ferrous metal, such as aluminum and copper. Finally, the ferrous/non-ferrous and other remaining parts are sold through our e-commerce portal.

Information Technology and Facilities

Information technology is an essential element of our operations infrastructure. We invest in information technology as its use directly lowers cost, enables scalable operations, improves efficiency, reduces business continuity risks and enables a secure enterprise. Our Systems Department has qualified professionals whose skills are continuously upgraded via trainings on the latest technology.

We have two data centers in which we innovate, develop and carry out our virtual platform services. Our Kolkata data center contains our main server, along with three failover connection systems. It is manned twenty-four hours per day, seven days per week. Our Mumbai data center contains our backup server, along with two failover connection systems.

Our IT Department is equipped with the powerful Servers having the ability to serve thousands of concurrent hits. Further, the servers are highly energy efficient. They offer modes such as "redundancy" and "high availability disaster recovery" for apt situations. This allows all relevant users, from principals to bidders to other users, to receive uninterrupted service. We conduct our online business on these servers through a 100Megabits per second ("**Mbps**") Internet leased line, where we have a firewall installed to protect users from viruses.

Furthermore, our Company has achieved status of CMMI Level 3, which catapults the company at a 'defined level' for continuous process improvement in the areas of application software.

CMMI is a process level improvement training and appraisal program. Administered by the CMMI Institute. It is required in many Government contracts, especially in software development. At maturity level 3, processes are well characterized and understood, and are described in standards, procedures, tools, and methods. The standards, process descriptions, and procedures for a project are tailored from the organization's set of standard processes to suit a particular project or organizational unit. As a result, the processes that are performed across the organization are consistent except for the differences allowed by the tailoring guidelines. Another critical distinction is that at maturity level 3, processes are typically described in more detail and more rigorously. Further, processes are managed more proactively using an understanding of the interrelationships of the process activities and detailed measures of the process, its work products, and its services.

IT Security

Information security systems are equally important to our Company. We have installed Firma11, intrusion prevention systems, and distributed denial-of-service software, among others. We also have "Write Once Media," which captures the audit trails on non-editable media. This program has been a hallmark of our e-commerce system.

We implement Secure Sockets Layer ("**SSL**") encryption. SSL is the standard security technology for linking a web server and a browser, all while keeping the data that passes through private and internal. We have implemented 256-bit SSL into our web server, which is one of the most secure encryption methods after 128- and 192-bit protection essentially, the bit amount measure how many different combinations a hacker would have to execute to break an encrypted message. A 256-bit encryption is virtually impossible to break.

Our network equipment, including intrusion prevention systems ("**IPS**") routers and switches, are manufactured by Cisco Systems, Inc. Each are totally ready for IPv6 migration and routers is also in place to prevent unauthorized intrusion with the latest signatures.

Periodically, the STQC, a sector of the Ministry of Electronic and Information Technology of the GoI, conducts performance testing as well as security testing on our IT. They purposefully attempt to penetrate the security to identify any vulnerabilities, which ensures that we are maintaining the safest measures for our IT.

Our Chief Vigilance Officer ("**CVO**") carries out our Company's vigilance policies. Those policies are committed to enhancing security in our Company through system improvements and general preventative and proactive vigilance. During Fiscal 2018, we carried out nine (9) routine inspections and two (2) surprise inspections upon the various regional, branch and site offices in order to gauge the safety of our e-auction practices.

Competition

For information about our competitors, please refer to the section titled "*Industry Overview*" on page 90 of this Red Herring Prospectus.

Sales and Marketing

The regional and branch offices are primarily set up to increase customer reach. It helps us to service our existing customers and for acquiring new customers. Each of our offices operate as separate marketing and sales units for a particular geography. We conduct workshops to educate our potential clients and bidders on the applicability and usefulness of our online platforms and also help them to operate and bid in our portal. Several road shows and buyer-seller meets have been organized by our Company in different parts of the country to give wide publicity to the portal. We also utilize print and electronic media to conduct marketing. This includes newspaper advertising, radio advertising, and online advertising.

Human Resources

As a company in the service industry, human resources have been a major thrust in our performance. Each year we make it a goal to continue growing our employee pool, both quantitatively and qualitatively.

As on February 28, 2019, we have 353 employees in our Company. 241 of those employees are executive, while the remaining 112 employees are non-executive. Approximately 17% of our workforce is female. The average age of our employees is around 39 years old.

We have one recognized trade union, called All India MSTC Ltd. Employees's Unions.

Corporate Social Responsibility

In compliance with the Companies Act, 2013, have formulated a CSR policy and a corresponding CSR committee. The goal of this policy and committee is to blend responsible business with inclusive growth and sustainable development. It is our priority to protect the environment, conserve natural resources, and improve human health and education.

Some examples of our CSR efforts undertaken during Fiscal 2018 include the following: a) the purchase and installation of Braille computers for a facility in West Midnapore, West Bengal; b) the construction of an orphanage building in Howrah, West Bengal; c) the implementation of a technology skills development program for underprivileged youth in Kolkata, West Bengal; and d) the installation of an infant medical care center in West Midnapore, West Bengal.

Certifications

Our Company has the following certifications:

- ISO 9001:2015 for "providing e-commerce services (auction & tendering) for sale and procurement of goods and services as per customer requirement"
- ISO/IEC 27001:2013 Information Security Management Systems
- CMMI-DEV Maturity Level 3

Intellectual Property

We have the registered trademarks for 'MSTC LIMITED' 'mstcecommerce', 'MSTCECOMMERCE', the logo of 'M3 MSTC METAL MANDI'. For futher details, please refer to the section titled "*Government and Other Approvals*" on page 261 of this RHP.

Material Properties

Our Registered Office and Corporate Office, located at 225-C, A. J. C. Bose Road, Kolkata – 700 020, West Bengal, has been leased to us. We own a property located at 607-608 Raheja Centre, Nariman Point, Mumbai - 400 021.

Our Company has taken the premises located at Plot No. CF – 18/2 Street no: 175 Action area 1A, New town Kolkata – 7000156 on lease for 99 years from WBHIDCO for our proposed corporate office building.

KEY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our Company for running our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the investors and neither designed nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see "Government and Other Approvals" on page 261 of this Red Herring Prospectus.

I. INFORMATION TECHNOLOGY LAWS

The business of our Company is subject to various information technology laws and regulations. The applicability of these laws and regulations varies with different operations. Major information technology laws applicable to the business operations include:

(i) Information Technology Act, 2000 ("IT Act")

The IT Act has been enacted with the intention of providing legal recognition to transactions that are undertaken electronically. The IT Act has created a mechanism for authenticating electronic documentation by means of digital signatures and also provides for civil and criminal liability including compensation, fines and imprisonment for certain computer related offences. These include offences relating to unauthorized access to computer systems, unauthorized disclosure of confidential information, frauds emanating from computer applications, tampering with source codes, publication and transmission of obscene material etc. The IT Act empowers the GoI to direct any of its agencies to intercept, monitor or decrypt any information in the interest of sovereignty, integrity. By means of an amendment, the IT Act legalized the validity of contracts enforced through electronic means. Additionally, the IT Act creates liability for negligence in dealing with or failure to protect sensitive personal data and gives protection to intermediaries in respect of third party information liability.

(ii) IT Intermediaries Rules

The Government of India has promulgated the Information Technology (Intermediaries Guidelines) Rules, 2011 ("IT Intermediaries Rules") under Section 79(2) of the IT Act. The IT Intermediaries Rules enunciates the due diligence requirements that an intermediary ought to undertake. An intermediary (defined under IT Act) is required to publish rules and regulations, privacy policy and user agreement for access to or usage of intermediary's computer resources by any person. The IT Intermediaries Rules require persons receiving, storing, transmitting or providing any services with respect to electronic messages to to ensure that it does not knowingly host or publish, transmit or modify any prohibited information and is further required to disable such information within 36 hours of coming to know about a court order and/or notification issued by the appropriate government or its agency requiring the intermediaries to expeditiously remove or disable access to certain material.

(iii) Reasonable Security Practices Rules

The Department of Information Technology under the Ministry of Communications and Information Technology, GoI has notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 ("Reasonable Security Practices Rules"). In accordance with the Reasonable Security Practices Rules, we are required to have security practices and standards in place in respect of sensitive personal data or information (as defined therein). Additionally, we are required to maintain a comprehensive documented information security programme and information security policy containing managerial, technical, operational and physical security control measures commensurate with the information assets procured from the information providers. In the alternative, we are permitted to comply with the requirements of the international standard "IS/ISO/IEC 27001" on "Information Technology -Security Techniques - Information Security Management System – Requirements" or with any codes of best practices for data protection of sensitive personal data or information approved by the GoI and formulated by any industry association of whose membership we hold.

II. ENVIRONMENTAL LAWS

The business of our Company is subject to various environment laws and regulations. The applicability of these laws and regulations varies with different operations. Major environmental laws applicable to the business operations include:

(i) The Environment (Protection) Act, 1986 and the Environment (Protection) Rules, 1986

The Environment (Protection) Act, 1986 was enacted to act as an "umbrella" legislation, designed to provide a frame work for coordination of the activities of various central and state authorities as established under previous laws. The Environment (Protection) Act, 1986 authorises the Central Government to protect the environment by controlling and reducing pollution.

(ii) The Air (Prevention and Control of Pollution) Act, 1981, ("Air Act")

The Air Act was enacted and designed for the prevention, control, and abatement, of air pollution, and establishes Central and State pollution control boards for the aforesaid purposes. In accordance with the provisions of the Air Act, any individual, industry or institution responsible for emitting smoke or gases by way of use of fuel or chemical reactions, must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any such activity.

(iii) The Water (Prevention and Control of Pollution) Act, 1974, ("Water Act") and The Water (Prevention and Control of Pollution) Cess Act, 1977 ("Water Cess Act")

The Water Act was enacted to provide for the prevention and control of water pollution. Further, the Water Act also provides for the establishment of boards with a view to carrying out the aforesaid purpose, and for conferring on and assigning to such boards, the powers and functions relating thereto. In addition, the Water Cess Act was enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industrial activities, and by local authorities, with a view to augment the resources of the aforementioned central board and state boards, for the prevention and control of water pollution.

(iv) In addition to the above-mentioned environmental laws, following in an indicative list of the environmental laws which are as follows:

- The Batteries (Management and Handling) Rules, 2001
- The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
- Manufacture, Storage and Import of Hazardous Chemical Rules, 1989
- Public Liability Insurance Act, 1991

III. INTELLECTUAL PROPERTY RIGHTS LAWS

Intellectual property rights refer to the general term for intangible, intellectual, industrial property rights through patents, copyrights and trademarks and includes geographical indications, trade secrets, and confidential information. These property rights allow the holder to exercise a monopoly on the use of the item for a specified period. The Trade Marks Act, 1999, as amended (the "**Trade Marks Act**"), provides for the registration of trademarks in India, pursuant to which the registered owner of a trademark is granted exclusive rights to registered marks, including brands, labels and headings, and to obtain relief in case of infringement for commercial purposes. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringing, falsifying and falsely applying trademarks.

IV. LABOUR LAWS

We are required to comply with certain labour and industrial laws, which includes the Employees' Provident Funds and Miscellaneous Provisions Act 1952, the Employees State Insurance Act, 1948, the Minimum Wages Act, 1948, the Maternity Benefit Act, 1961, the Payment of Bonus Act, 1965, Workmen's Compensation Act, 1923, the Payment of Gratuity Act, 1972, Contract Labour (Regulation and Abolition) Act, 1970, the Payment of Wages Act, 1936, Industrial Disputes Act, 1947, Industrial Employment (Standing Orders) Act, 1946, the Apprentices Act, 1961, the Trade Unions Act, 1926, Equal Remuneration Act, 1976, Public Premises (Eviction of Unauthorized Occupants) Act, 1971, the Indian Boilers Act, 1923, and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 amongst others.

V. REGULATIONS APPLICABLE TO THE FOREIGN TRADE AND FOREIGN INVESTMENT

(i) Foreign Trade (Development and Regulation) Act, 1992 ("FTA") and the Foreign Trade Policy (2015 - 2020) ("FTP")

The FTA provides for the development and regulation of foreign trade by facilitating imports into, and exports from India. The FTP governs the export and import of goods and services in India which require an import export code ("IEC") number unless specifically exempted. Exports and imports are free unless specifically regulated by the FTP or the Indian trade classification based on harmonised system of coding which is used for regulating import and export operations. Under the FTA, an IEC granted by the director general of foreign trade will be required to be obtained in the event any import or export of the product is envisaged. Failure to obtain the IEC number attracts a penalty of ₹ 1,000 or five times the value of the goods on which contravention is made or attempted, whichever is more.

(ii) Regulation of Foreign Investment in India

Foreign investment in Indian securities is governed by the provisions of the Foreign Exchange Management Act, 1999, as amended ("**FEMA**") read with the applicable FEMA Regulations. Consolidated FDI Policy consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP. Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, where approval from the Government is required, depending upon the sector in which foreign investment is sought to be made.

VI. OTHER LEGISLATIONS

(i) Bureau of Indian Standards Act, 2016

The Bureau of Indian Standards Act, 2016 (the "**BIS Act**") establishes the Bureau of Indian Standards as the National Standards Body of India, with an aim to bring more services, products and processes under the mandatory standardized regime. The BIS Act seeks to bring about a compulsory certification for all products covered under its ambit, while also containing enabling provisions to implement mandatory hallmarking of precious metal articles. The BIS Act further strengthens penal provisions for better and effective compliance, while laying down provisions for compounding of offences for repeated or multiple violations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as *"Metal Scrap Trade Corporation Limited"*, under the provisions of the Companies Act, 1956 on September 9, 1964 at Kolkata. Our Company was granted the certificate of commencement of business on April 12, 1965 by the RoC. Subsequently, the name of our Company was changed to *"MSTC Limited"* pursuant to the special resolution passed by the Shareholders in the general meeting held on September 26, 1994 and a fresh certificate of incorporation consequent upon such change of name was issued by the RoC on November 9, 1994. The CIN of our Company is U27320WB1964GOI026211.

Our Company was incorporated to deal in export of ferrous scrap. Our Company became a subsidiary of SAIL on August 22, 1973 to act as a canalizing agent of the GoI for the import of metal scrap. Thereafter, on May 21, 1982 our Company became an independent GoI company upon acquisition of the shares of SAIL by the Selling Shareholder. Since its incorporation till the decanalisation of metal scrap by the GoI in 1992, our Company was mainly engaged in import of metal scrap as a canalising agency of the GoI. After the decanalisation, our Company had decided to diversify our business and emerge as a multi-product and a multi-functional organization.

Changes in the Registered Office

As of the date of this RHP, the Registered Office of our Company is situated at 225-C, A. J. C. Bose Road, Kolkata - 700 020, West Bengal, India. Details of changes in the Registered Office of our Company since incorporation are set forth hereunder.

Dates of change in the Registered Office	From	To	Reason of change
January 4, 1965	Ranji Stadium (Top Floor), Eden Gardens, Calcutta	11 Rabindra Sarani (3rd Floor), Calcutta-1*	Administrative convenience
May 29, 1967	18, Rabindra Sarani (3rd Floor), Calcutta-700 001*	'Shah House' (2nd Floor), P-34 Indian Exchange Place, Calcutta-1.	Administrative convenience
September 16, 1975	P-34, India Exchange Place Calcutta-700 001	225-E Acharya Jagadish Bose Road, Calcutta-700 020**	Administrative convenience
June 18, 1992***	225-F Acharya Jagadish Chandra Bose Road, Calcutta- 700 020**	225-C Acharya Jagadish Chandra Bose Road, Calcutta-700 020	Administrative convenience

**The registered office of our Company was shifted from Ranji Stadium (Top Floor), Eden Gardens, Calcutta to 11 Rabindra Sarani (3rd Floor), Calcutta-1 with effect from January 4, 1965, however due to a typographical error in the statutory records and the form filed with the RoC, the building no. was recorded as 18 instead of 11.*
*** In the year 1975, the registered office of our Company was at 225-E Acharya Jagadish Bose Road, Calcutta-700020. However, due to reallocation of number of premises by the Calcutta Municipal Corporation and modification in the municipal records the number of premises of the Company was changed from 225E to 225F.*
****The registered office of our Company was shifted from 225-E Acharya Jagadish Bose Road, Calcutta-700020 to 225-C Acharya Jagadish Bose Road, Calcutta-700020 vide board resolution dated June 18, 1992, However, the form for the change in the registered office is not traceable.*

Main objects of our Company

The main objects contained in the Memorandum of Association of our Company are as follows:

1. *"To procure, purchase, stock, process, convert, sell, distribute, transport, market, import, export and facilitate above function facilitator in all types of industrial raw materials/furnished goods, agriculture commodities and any other job incidental thereto and conclude web based transactions."*

2. *"To act as selling or purchasing and/or handling agents, recovery agents, commission agents, canalizing agency, brokers, intermediaries for the Government, semi-Government or autonomous body or any organization in the private or public sector in India or any part(s) of the world, for export, import, purchase distribute, stock, sell, processing, conversion, transportation, marketing, and function as facilitator in all*

types of industrial raw materials/finished goods and agriculture commodities and other job incidental thereto and conclude web based transactions.”

3. *“To import capital equipments, technology, semi-finished goods, spares and consumables, metals including precious metals and chemicals/petrochemicals for Indian companies on cash or deferred payment basis and conclude web based transactions.”*

4. *“To promote concerted action in the matter of movement of scrap within India and shipment of scrap to and from foreign countries.”*

5. *“To establish scrap yards anywhere in India to stock, process, convert, distribute, market, transport any type of ferrous and non-ferrous scrap, finished and semifinished iron and steel products, billets, ferro-alloys, graphite electrodes and refractories of all types and descriptions and processing coke-breeze and wastes/rejects/by-products from washeries, mines, fertilizer plants, by-products plant, foundries, sponge iron and allied products.”*

6. *“To promote and develop measures for increased and improved collection of scrap within the country.”*

7. *“To promote and develop measures to regulate and ensure supplies of scrap to Indian users on such terms as may be determined from time to time.”*

8. *“To enunciate suitable principles to govern the trade in scrap and to set up a code or codes of practices for the general guidance of the trade and further to simplify transactions and procedures.”*

9. *“To undertake, manage, provide transfer technology and/or be associated with any manufacturing activities in production including mining activity and/or selling activities of all types of finished and semi-finished iron and steel products, billets, stainless steel, ferro-alloys, sponge iron and allied products, graphite, electrodes and refractories of all types and descriptions, raw material for industries, processing of coke-breeze and wastes/ rejects/by-products from washeries, mines fertilizer plants and by-product plants, foundries and all types of products out of non-ferrous scrap in India or anywhere else in the world and conclude web based transaction.”*

10. *“To act as selling or purchasing and / or handling agents, recovery agents, commission agents, canalizing agency, brokers, intermediaries for any Government, Semi Government or autonomous body or any organization in the private or public sector in India or any part(s) of the world, for export, import, purchase, distribute, stock, sell, processing, conversion, transportation, marketing, and function as facilitator in all types of precious metals, stones, components of infrastructure such as land, building or other capital items or raw materials related to infrastructure and any other job incidental there to and to conclude web based transactions.”*

The main objects as contained in our Memorandum of Association enable our Company to carry on our existing business.

Amendments to our Memorandum of Association

Set out below are the amendments to our Memorandum of Association in the last ten (10) years:

Date of Shareholders’ Resolution	Nature of amendment
September 5, 2012	Clause VI of the Memorandum of Association of our Company was amended to reflect the increase in the authorized share capital from ₹ 50 million divided into 5,000,000 Equity Shares of ₹ 10 each to 500 million divided into 50,000,000 Equity Shares of ₹ 10 each.
December 26, 2018	Clause III (Objects clause) of the Memorandum of Association of our Company was amended to reflect the amendment in Clause III (B) – “Objects incidental or auxiliary to the attainment of the main objects and the deletion of Clause III (C) “Other Objects.
December 26, 2018	Clause VI of the Memorandum of Association of our Company was amended to reflect the increase in the authorized share capital from ₹ 500 million divided into 50,000,000 Equity Shares of ₹ 10 each to 1,500 million divided into 150,000,000 Equity Shares of ₹ 10 each.

Major events in our history

The table below sets forth the key events in the history of our Company:

Calender Year	Major Achievements
1964	Incorporated for export of scrap.
1973	Became a subsidiary Company of SAIL.
1979	Investment in Ferro Scrap Nigam Limited.
1982	Became an independent GoI Company under MoS.
2001	Accorded with Mini Ratna Category – II.
2002	Acquisition of remaining shares of Ferro Scrap Nigam Limited vide share sale agreement dated June 29, 2002 by virtue of which it became our wholly owned subsidiary.
2004	Commenced e-auctioning of coal.
2006	Awarded Mini Ratna Category I.
2007	Upgraded to Schedule 'B' Company.
2010	Commenced e-auction of Tea.
2011	Commenced E-Auction of human hair.
2012	Commenced e-auction of iron ore in Karnataka.
2012	Commenced e- auction of chrome ore and chrome concentrate for Odisha Mining Corporation.
2012	Signed milestone agreement with Government of Andhra Pradesh for e-commerce services.
2014	Commenced e-auction of iron ore in Goa and red sander in Andhra Pradesh.
2015	Commenced e-auction of coal mine blocks and subsidy disbursement for re-gasified liquified natural gas.
2016	Commenced e-bidding platform under DDUGJY and IPDS, DEEP, allocation of marginal oil field.
	Entered into a JVA with MIL for setting up an auto shredding plant at Greater Noida, Uttar Pradesh.
	Developed portal for e-auction of sixty seven (67) marginized oil and gas fields.
	Launched E-mall MSTC Metal Mandi M3 portal.
2017	Conducted the first ever reverse auction of selection of Inter State Transmission Service Provider.
	Commencement of portal "E-RaKam" for selling agricultural produce in collaboration with CRWC.
	Developed application for online lottery of LPG distributors by OMC for conducting on-line computerized draw of lots as per the requirement of the OMC.
	E-solution "RCS-UDAN" to the Ministry of Civil Aviation for transparent bidding process of Regional Air Connectivity Scheme (RCS).
2018	Entered into a Memorandum of Agreement with Transport Department, Government of NCT, Delhi for scientific collection, dismantling and recycling of vehicles.

Awards and Recognition

Our Company has received the following key awards in recent past:

Year of Award	Award
2016-17	Awarded the "Rajya Bhasha Puraskar" by Muncipal Offical Language Execution Committee, Kolkata for its excellent efforts in execution of working in official language.
2017-18	Awarded the "Kolkata Best Employer Brand Award 2017" by Dewang Mehta, National Education Awards.
2017-18	Awarded the "Ispat Rajya Bhasha Vishisht Samman" for official language for doing excellent work in the area of Hindi by MoS.
2017-18	Awarded the 1st prize in Rajya Bhasha Kriti Award by Department of Offical Language, Ministry of Home Affairs for its excellent efforts in execution of working in official language.
2017-18	Awarded the 3rd prize by Municipal Official Language Execution Committee, Kolkata for its excellent efforts in execution of working in official language.

Accreditations and Certifications

Our Company has received the following accreditations and certifications:

Certificate	Issued on	Valid Till	Particulars
ISO 9001:2015 - Quality Management System	May 31, 2017	May 30, 2020	Quality management system of organization has been audited and found to be in accordance with the requirements of ISO 9001:2015 for providing E-Commerce services (auction and tendering) for sale and procurement of goods and services as per customer requirement.
ISO/IEC 27001:2013 Information Security Management System	September 15, 2017	June 12, 2020	Ministry of Communications and Information Technology and Department of Electronics and Information Technology certified that the Company has established and is maintaining and information security management system.
CMMI DEV1.3 CMMI Institute	May 27, 2016	May 27, 2019	Software Development and Maintenance projects being undertaken as part of Systems division of our Company.

Our Holding Company

As on the date of this Red Herring Prospectus, our Company does not have a holding company.

Subsidiaries of our Company

As on the date of this Red Herring Prospectus, our Company has one subsidiary namely Ferro Scrap Nigam Limited ("**FSNL**"). For further details on our Subsidiary, please refer to the section titled "*Our Subsidiary*" on page 142 of this Red Herring Prospectus.

Joint Venture(s) of our Company

Our Company has entered into a joint venture agreement dated August 8, 2016 with MIL to form a joint venture company named "Mahindra MSTC Recycling Private Limited" which is in the business of setting up, owning, maintenance and operation of shredding plants and facilities for purchase, storage, collection, segregating, processing, recycling and importing of ELVs and end of life white goods and other materials and sale there from of shredded ferrous and non-ferrous metal scrap and all other types of scrap including E waste scrap, plastics, rubber, spare parts and any other disposable items, within and outside India. As on date of this Red Herring Prospectus, both our Company and MIL each is holding 50% of the total shareholding of MMRPL. For further details on our JVC, please refer to the section titled "*Our Group Company*" on page 165 of this Red Herring Prospectus.

Time and Cost Overruns

Our Company has not experienced time and cost overruns in relation to the projects executed by us.

Significant Financial or Strategic Partnerships

As on the date of this Red Herring Prospectus, our Company has no significant financial partnerships. Further, our Company has the following strategic partnerships:

1. Mahindra MSTC Recycling Private Limited

Defaults or rescheduling/restructuring of borrowings with financial institutions/ banks.

Our Company was unable to fullfil the following conditions as mentioned in the respective working capital consortium agreement/sanction letters:

a) Maintaining the ratio of 1:1.33 for working capital position;

b) To seek no objection with respect to any investment by the Company in their subsidiary/group company/associate company/joint venture company;

c) Enter into borrowing arrangements either secured or unsecured with any other bank, financial institution, company or person; and

d) The restriction on the opening of any account with any other bank and to provide information immediately of all the accounts already opened for the credit facilities under sole banking arrangement and to confine the entire business of the Company including foreign exchange business with our bank. Further in respect of credit facilities under consortium/MBA, to offer to our Bank (on a right of first refusal basis) atleast pro rata business relating to remittances, non-fund based transactions including LG/BGs, bills cheques purchase, forex transactions and any interest rate or currency, hedging business, merchant banking, IPO/FPO, capital market transactions, cash management product, vehicle loans etc.

However, our Company has already received the waiver letter from the respective lenders with respect to the aforesaid.

Details regarding material acquisition or divestment of business/undertakings, mergers, amalgamations and revaluation of assets in the last ten (10) years

Apart from the acquisition of a 50% stake in our Group Company, our Company has not made any acquisition or divestment of business/undertakings, mergers, amalgamations and revaluation of assets in the last ten (10) years.

SHAREHOLDERS' AGREEMENTS AND OTHER AGREEMENTS

Key terms of all subsisting shareholders' agreements

As on the date of this Red Herring Prospectus, there are no subsisting shareholders agreements.

Agreements with key managerial personnel or a Director or Promoter or any other employee of the Company

There are no agreements entered into by key managerial personnel or a Director or Promoter or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Details of guarantees given to third parties by our Promoter for offering the shares in this Offer for Sale

As on the date of this Red Herring Prospectus, no guarantee has been issued by our Promoter offering its Equity Shares in terms of the Offer for Sale.

Key terms, dates, parties to and general nature of any other subsisting material agreements including with strategic partners, joint venture partners and/or financial partners, entered into, other than in the ordinary course of business of our Company

Except as stated below, our Company has not entered into any subsisting material agreements, not being a contract entered into the ordinary course of business carried on or intended to be carried on by us.

Joint Venture Agreement entered between our Company and Mahindra Intertrade Limited dated August 8, 2016.

Our Company and MIL have entered into a JVA to incorporate a JVC to carry out the business of establishing, owning and operating a shredding plant in India for collection, processing, segregating, recycling and importing of end-of-life motor vehicles and end-of-life white goods and other such materials and the sale therefrom of shredded ferrous and non-ferrous scrap within and outside India (hereinafter referred to as "**Business**"). The JVA has been further amended vide an agreement dated March 10, 2017 (hereinafter referred to as "**Amendment Agreement**").

There is a lock-in period of three (3) years from the date of issuance of the share certificate to the shareholders of MMRPL during which our Company and MIL cannot transfer the shares of the JVC. However, there is no restriction on transfer of shareholding to the affiliates.

In terms of the JVA and the Amendment Agreement, our Company has the right to nominate two (2) directors to the board of the JVC and MIL has the right to nominate three (3) directors. However, if the shareholding of either our Company and/or MIL falls to 45% or below of the total paid-up equity capital of the JVC such shareholder shall be entited to only one nominated director on the board and provided further that a shareholder whose shareholding in the JVC falls to 20% or below, shall not be entitled to nominate, or retain any director nominated by it on the board.

Effective from the date of the JVA, our Company and MIL shall not be directly or indirectly involved in any other project in India similar to that of the Business of the JVC until termination of the JVA or expiry of five (5) years from the date of JVA, whichever is earlier.

Tripartite agreement between our Company, Sujana Steel Limited and Tirumala Re-Rolling Private Limited dated April 17, 2001

Our Company has entered into a tripartite agreement dated April 17, 2001 ("**Present Agreement**") with Sujana Steel Limited ("**SSL**") and Tirumala Re-Rolling Private Limited ("**TRPL**"). Prior to this, our Company had entered into a memorandum of understanding ("**MOU**") dated September 18, 1995 with SJK Steel Corporation Limited ("**SJKSCT**") where under our Company had agreed to participate in the paid of equity capital of SJKSCL subject to approval of GoI. Further, our Company had entered into another agreement dated March 16, 1996 ("**Tripartite Agreement")** with SSL and SJKSCL where under our Company had agreed to sell 19,500 MT of carbon steel melting scrap at an amount of ₹ 183.60 million to SSL, out of which SSL had agreed to pay a sum of ₹ 150 million to SJKSCL being the equity participation of our Company subject to the approval of GoI. However, since our Company did not receive the GoI approval, our Company requested SSL to make the direct payment towards settlement of outstanding dues payable to our Company for the material supplied. However, SSL had continuously failed in making the due payments to our Company due to which our Company had initiated legal proceedings. The Present Agreement has been entered to settle the dispute where under, inter alia, SSL has agreed to pay ₹ 15.60 million as lumpsum payment and the balance amount will be converted into debentures with interest at 10% per annum to be issued by TRPL in favour of our Company. In addition to this SSL has agreed to issue a post-dated cheque for ₹ 158 million to our Company which will be returned after the receipt of full payment by our Company. And a post-dated cheque of ₹ 20 million towards the payment of accrued interest.

All shareholders' and material contracts entered by our Company

Except as stated in the section titled "*Material Contracts and Documents for Inspection*" on page 331 of this Red Herring Prospectus, our Company has not entered into shareholders' or material contracts.

OUR SUBSIDIARY

As on the date of this Red Herring Prospectus, our Company has one Subsidiary namely Ferro Scrap Nigam Limited. The details of our Subsidiary are disclosed hereunder:

Corporate Information:

Ferro Scrap Nigam Limited ("**FSNL**"), was incorporated as a private limited company on March 28, 1979 under the Companies Act, 1956 and the certificate of incorporation was issued by the Registrar of Companies, Bihar at Patna. In order to acquire the Indian business of processing steel mill slags and refuse from Heckett Engineering Co. (Indian branch of Harsco Corporation) and carry on its business, our Company had entered into a collaboration agreement and a sale agreement with Harsco Corporation on June 27, 1979 for the transfer of business from Heckett Engineering Co. to FSNL. The status of FSNL was changed from 'private limited company' to 'deemed public limited company' under the provision of Section 43(1A) of the Companies Act, 1956 with effect from August 1, 1979. Pursuant to an order of the CLB, Eastern Region Bench at Kolkata dated July 21, 1989, the registered office of FSNL was shifted to the State of Madhya Pradesh and a fresh certificate of incorporation was issued by the Registrar of Companies, Madhya Pradesh at Gwalior, on September 12, 1989.

FSNL became a wholly owned subsidiary of our Company on August 29, 2002 pursuant to the acquisition of shares from Harsco vide their share sale agreement dated June 29, 2002 entered into between our Company, FSNL, Harsco and Heckett Multiserv PLC, a wholly owned subsidiary of Harsco.The corporate identity number of FSNL is U27102CT1989GOI005468. The registered office of FSNL is at FSNL Bhawan, Equipment Chowk, Central Avenue, Bhilai-490001, District Durg, Chhattisgarh, India.

Nature of Business:

FSNL is authorised under its memorandum of association to carry out the business of processing of steel mills slag and other refuse and debris for the recovery of iron and steel scrap and other metallics and to render all kinds of service to manufacturer of steel and iron and other metallics.

Capital Structure:

The authorised share capital of our Subsidiary is ₹ 500,000,000 divided into 50,000,000 equity shares having a face value of ₹ 10 each and its issued and paid up equity share capital is ₹ 320,000,000 divided into 32,000,000 equity shares of face value of ₹ 10 each.

Shareholding:

The shareholding pattern of our Subsidiary as on date of this Red Herring Prospectus, is given below:

Equity share capital

Name of the shareholder	Number of equity Shares	Percentage of the issued and paid-up equity share capital (%)
MSTC Limited	31,999,900	100%
Ramen Kumar Chaudhuri*	100	Negligible
Total	**32,000,000**	**100%**

***** *As a nominee of MSTC Limited*

Shareholding of our Company in our Subsidiary:

As on the date of this Red Herring Prospectus, our Company holds 31,999,900 equity shares of our Subsidiary and Ramen Kumar Chaudhuri holds 100 equity shares of FSNL as a nominee of our Company, both aggregating to 100% of the issued, subscribed and paid-up equity share capital of our Subsidiary.

Accumulated Profits or Losses

There are no accumulated profits or losses of our Subsidiary that are not accounted for by our Company.

Other confirmations

As of the date of this Red Herring Prospectus, our Subsidiary:

(i) has never been listed or refused listing on any stock exchange in India or abroad;
(ii) has not made any public or rights issue of equity shares in the last three (3) years;
(iii) has never become a sick company as specified under SICA;
(iv) is not under winding up insolvency or bankruptcy proceedings;
(v) has never become defunct;
(vi) has never made an application to the relevant Registrar of Companies, in the five (5) years preceding the date of filing of this Red Herring Prospectus with SEBI, for the striking off of its name; and
(vii) has never received any significant notes on the financial statements from the auditors.

Litigation

For details on the pending litigation and legal proceedings involving our Subsidiary, please refer to the section titled "*Outstanding Litigation and Other Material Developments*" on page 258 of this Red Herring Prospectus.

Common pursuits between our Subsidiary and our Company

As on the date of this Red Herring Prospectus, there are no common pursuits between our Subsidiary and our Company.

Business and other interest in our Company

As on the date of this Red Herring Prospectus, our Subsidiary has no business or other interests in our Company.

OUR MANAGEMENT

Board of Directors*

Under the requirements of the Companies Act, 2013 and our Articles of Association, our Company is required to have a minimum of three (3) Directors and maximum up to such number as may be decided by the President of India. As on the date of this Red Herring Prospectus, our Board comprises of ten (10) Directors, of which five (5) are Non-Official (Independent) Directors, two (2) are Government Nominee Directors and three (3) are Executive Directors. We have five (5) woman directors on our Board. Subject to the provisions of the Companies Act, the President of India, in terms of our Articles of Association, is entitled to appoint as well as remove all the Directors.

The following table sets forth the details regarding our Board as on the date of this Red Herring Prospectus:

S. No.	Name, designation, address, occupation, date of birth, nationality, DIN term and period of directorship	Age (in years)	Other Directorships
1.	**Bam Bahadur Singh** ***Designation*:** Chairman and Managing Director ***Address:*** Heights-7, FL-1802, Uniworld City Rajarhat, New Town, Kolkata– 700156, West Bengal, India. ***Occupation:*** Service ***Date of Birth*:** November 11, 1959 ***Nationality:*** Indian ***DIN:*** 03212787 ***Term*:** Five (5) years with effect from June 1, 2016 (the date of assumption of charge) or till the date of superannuation or until further order from the Ministry of Steel, GoI, whichever is the earliest. ***Period of Directorship*:** Director since May 11, 2010.	59	1. Ferro Scrap Nigam Limited; and 2. Mahindra MSTC Recycling Private Limited
2.	**Subrata Sarkar** ***Designation:*** Director (Finance) and CFO Whole Time Director ***Address:*** H. No.-73, Junepokhar, Deoghar, Jharkhand-814112, India ***Occupation:*** Service ***Date of Birth:*** April 4, 1970 ***Nationality:*** Indian ***DIN:*** 08290021 ***Term:*** Five (5) years with effect from December 1, 2018 (the date of assumption of charge) or till the date of superannuation or until further order from the Ministry of Steel, GoI, whichever is the earliest. ***Period of Directorship:*** Director since December 1, 2018.	48	Mahindra MSTC Recycling Private Limited
3.	**Bhanu Kumar** ***Designation:*** Director (Commercial) Whole Time Director ***Address:*** House No B-19, 1st Floor, New Krishna Park, Near Janakpuri West Metro Station, Vikaspuri,	52	Ferro Scrap Nigam Limited

S. No.	Name, designation, address, occupation, date of birth, nationality, DIN term and period of directorship	Age (in years)	Other Directorships
	Tilak Nagar, Rajouri Garden, Delhi-110018, India. ***Occupation:*** Service ***Date of Birth:*** October 5, 1966 ***Nationality:*** Indian ***DIN:*** 07982360 ***Term:*** Five (5) years with effect from October 10, 2017 (date of assumption of charge) or till the date of her superannuation or until further orders from the Ministry of Steel, GoI, whichever is the earliest. ***Period of Directorship:*** Director since October 10, 2017.		
4.	**Ruchika Chaudhry Govil** ***Designation:*** Government Nominee Director ***Address:*** 9/3, Sarv Priya Vihar, Hauz Khas, South Delhi-110016, India. ***Occupation:*** Service ***Date of Birth:*** December 31, 1965 ***Nationality:*** Indian ***DIN:*** 07601895 ***Term:*** With effect from October 11, 2017 till further orders from the Ministry of Steel, GoI.** ***Period of Directorship:*** Director since October 11, 2017.	53	Rashtriya Ispat Nigam Ltd
5.	**Promodita** ***Designation:*** Government Nominee Director ***Address:*** B-404, Thiruvizha CGHS Ltd, Plot No. 37, Sector-10, Near Indraprastha International School, Dwarka Sec-6, South West Delhi-110075, India. ***Occupation:*** Service ***Date of Birth:*** September 20, 1966 ***Nationality:*** Indian ***DIN***: 08103401 ***Term:*** With effect from June 15, 2017 till further orders from the Ministry of Steel, GoI. ***Period of Directorship:*** Director since June 15, 2017.	52	Nil
6.	**Gangaram Aloria** ***Designation:*** Non-Official (Independent) Director ***Address:*** 1 Government Bunglow, Asarwa, Opp Forensic Lab Meghaninagar, Civil Hospital, Ahmedabad-380016, Gujarat, India.	62	Nil

S. No.	Name, designation, address, occupation, date of birth, nationality, DIN term and period of directorship	Age (in years)	Other Directorships
	Occupation: Retired IAS Officer ***Date of Birth:*** July 6, 1956 ***Nationality:*** Indian ***DIN:*** 02913711 ***Term:*** Three (3) years with effect from September 6, 2017 (date of notification of their appointment) or till further orders from the Ministry of Steel, GoI, whichever is the earliest. ***Period of Directorship:*** Director since September 6, 2017.		
7.	**Murali Vallabhan** ***Designation:*** Non-Official (Independent) Director ***Address:*** Thazhathuruthil House, Puliyannoor, P.O.- Puliyannoor (Part) Kottayam, Kerala-686573, India ***Occupation:*** Consultant ***Date of Birth:*** May 14, 1958 ***Nationality:*** Indian ***DIN:*** 07964320 ***Term:*** Three (3) years with effect from September 6, 2017 (date of notification of their appointment) or till further orders from the Ministry of Steel, GoI, whichever is the earliest. ***Period of Directorship:*** Director since September 6, 2017.	60	Nil
8.	**Rudramauni Shivayogeppa Yeli** ***Designation:*** Non-Official (Independent) Director ***Address:*** 1146, Sajjanashettar Building, Mruthyunjaya Nagar Upstairs, Bank Colony, Ranibennur, Haveri-581115, Karnataka, India. ***Occupation:*** Consultant ***Date of Birth:*** February 22, 1950 ***Nationality:*** Indian ***DIN:*** 08103544 ***Term:*** Three (3) years with effect from March 9, 2018 (date of notification of their appointment) or till further orders from the Ministry of Steel, GoI, whichever is the earliest. ***Period of Directorship:*** Director since March 9, 2018.	69	Nil
9.	**Pravati Parida** ***Designation:*** Non-Official (Independent) Director ***Address:*** Terundia, Nimapara, Puri- 752106,	52	Prachurya Infra Projects Private Limited

S. No.	Name, designation, address, occupation, date of birth, nationality, DIN term and period of directorship	Age (in years)	Other Directorships
	Odisha, India ***Occupation:*** Business ***Date of Birth:*** May 12, 1966 ***Nationality:*** Indian ***DIN:*** 03335256 ***Term:*** Three (3) years with effect from March 9, 2018 (date of notification of their appointment) or till further orders from the Ministry of Steel, GoI, whichever is the earliest. ***Period of Directorship:*** Director since March 9, 2018.		
10.	**Aparna Chaturvedi** ***Designation:*** Non-Official (Independent) Director ***Address:*** 17/604, Oshiwara, MHADA Complex, Andheri West, Mumbai- 400053, Maharashtra, India. ***Occupation:*** Financial Consultant ***Date of Birth:*** August 25, 1958 ***Nationality:*** Indian ***DIN:*** 00028647 ***Term:*** Three (3) years with effect from December 14, 2018 (date of notification of their appointment) or till further orders from the Ministry of Steel, GoI, whichever is the earliest. ***Period of Directorship:*** Director since December 14, 2018.	60	IFCI Financial Services Limited

** As on the date of this Red Herring Prospectus, the name of Hem Chand Jain is appearing as a Director of our Company in the list of signatories on the website of the MCA. Our Company has never appointed Hem Chand Jain as a Director in our Company. However, due to some error the same is appearing. Our Company in the process of removal of his name from the MCA records.*

***MoS vide its order no. 1/16/2015-BLA dated October 11, 2017 appointed Ruchika Chaudhry Govil as a Government Nominee Director with effect from October 11, 2017, however in the 53rd AGM held on September 26, 2018, it was noted that she has been appointed as a Government Nominee Director liable to retire by rotation for a period of three (3) years from October 11, 2017 or until further orders from the administrative ministry, whichever is earlier.*

Relationship between our Directors

Neither of the Directors of our Company are related to each other nor are they related to any of the KMPs as per the definition of "relative" provided under the Companies Act, 2013.

Brief profiles of our Directors

Bam Bahadur Singh

Bam Bahadur Singh, aged fifty nine (59) years is the Chairman and Managing Director of our Company. He holds a degree of Bachelor of Science (Engineering) from Ranchi University and a degree of Master of Business Administration from Indira Gandhi National Open University. He has also been certified as an Energy Manager as well as Energy Auditor by the National Productivity Council. He has over thirty seven (37) years of experience in business development, operation, commercial and managment. Prior to joining our Company, he has been associated with Shriram Bearing Limited, Coal India Limited and Bharat Earth Movers Limited. Prior to his appointment as the Chairman and Managing Director of our Company he served as the Director (Commercial) of our Company with effect from May 11, 2010.

Subrata Sarkar

Subrata Sarkar, aged forty eight (48) years is the Director (Finance), CFO and Whole Time Director of our Company. He holds a degree in Bachelor of Science (Honours) from Bhagalpur University and has been an Associate Member of the Institute of Chartered Accountants of India. He has over twenty (20) years of experience in finance and accounts. Prior to joining our Company, he was associated with Sarkar Mitra & Mitra, Chartered Accountants as a Partner. He has been associated with our Company since May, 2001.

Bhanu Kumar

Bhanu Kumar, aged fifty two (52) years is the Director (Commercial) and Whole Time Director of our Company. She holds a degree of Bachelor of Science (Honours) in chemistry from the University of Delhi and also holds a degree of Master of Science in chemistry from the University of Delhi. She has over twenty nine (29) years of experience in operation and commercial department. She has been associated with our Company since November 1989.

Ruchika Chaudhry Govil

Ruchika Chaudhry Govil, aged fifty three (53) years is a Government Nominee Director of our Company. She holds a degree of Bachelor of Laws from the University of Delhi and also holds a degree of Master of Arts in Economics from the University of Delhi. She has over twenty eight (28) years of experience in revenue and income tax matters. She is cadre of the Indian Revenue Services and has previously worked in the Income Tax Department.

Promodita

Promodita, aged fifty two (52) years is a Government Nominee Director of our Company. She holds a degree of Doctor of Philosophy from Jawaharlal Nehru University. She has over twenty two (22) years of experience in assisting government in policy making and evaluating the same as desired by the Government from time to time. In the year 2017, she was designated as Economic Advisor in the MoS.

Gangaram Aloria

Gangaram Aloria, aged sixty two (62) is a Non-Official (Independent) Director of our Company. He holds a degree in Bachelor of Arts from University of Rajasthan, Jaipur and also holds a degree in Bachelor of Law (Academic) from Gujarat University. He has over thirty five (35) years of experience in public service and administration. Prior to being appointed as a Director of our Company, he served as an Additional Chief Secretary to Government of Gujarat, Urban Development & Urban Housing Department, Sachivalya, Gandhinagar and was later appointed as the Chief Secretary to the Government of Gujarat, Sachivalya, Gandhinagar with effect from May 31, 2015.

Murali Vallabhan

Murali Vallabhan, aged sixty (60) years is a Non-Official (Independent) Director of our Company. He holds the degree of Bachelor of Arts and Master of Arts in Economics from the University of Kerala. He also holds a degree of Doctor of Philosophy in Politics from Mahatma Gandhi University, Kottayam. He was a reader in economics at SVR NSS College and was appointed as the head of department of Economics, SVR NSS College, Vazhoor. Since 1995, he has been associated with several organisations in various capacities such as visiting faculty, deputy director, speaker etc. He has over thirty (30) years of experience as an academician.

Rudramauni Shivayogeppa Yeli

Rudramauni Shivayogeppa Yeli, aged sixty nine (69) years is a Non-Official (Independent) Director of our Company. He holds the degree of Master of Arts (Final) Sociology from the Karnatak University, Dharwad, Master of Education (New) from Karnatak University, Dharwad. He also holds a degree in Doctor of Philosophy in education from Karnatak University, Dharwad. He has over forty (40) years of experience as an academician.

Pravati Parida

Pravati Parida, aged fifty two (52) is the Non-Official (Independent) Director of our Company. She holds a degree of Bachelors of Law from Utkal University. She also holds the certificate in women's empowernment and development from Indira Gandhi National Open University. She has over twenty two (22) years of experience as an advocate & social – worker.

Aparna Chaturvedi

Aparna Chaturvedi, aged sixty (60) years is a Non-Official (Independent) Director of our Company. She holds degree of Bachelors in Science and Master of Business Administration from Lucknow University. She was awarded a British Chevening Scholarship by Foreign and Commonwealth Office in relation to the senior executive course at Manchester Business School. She is a financial expert with over thirty five (35) years of experience in project finance, funds management, corporate insolvency, resolution & reconstruction of non-performing assets, asset reconstruction private equity Investments etc. Prior to joining our Company, she was associated with UTI Mutual Fund since March 7, 1989 till August 31, 2016.

Confirmation from Directors

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

Neither Company nor our Directors are declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, and have not been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.

None of our Directors of our Company have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Red Herring Prospectus with the SEBI, during the term of his/ her directorship in such company.

Further, none of our Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past.

None of our Directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.

Understanding with major shareholders, customers, suppliers or others pursuant to which Director(s) were appointed

As per Article 104 of our Articles of Association, the Chairman or the Chairman and the Managing Director shall be appointed and the terms and conditions of his/her appointment shall be settled by the President of India, subject to the provisions of the Companies Act. In addition to the Chairman or Chairman and Managing Director appointed in the aforesaid manner, the President may, in consultation with the Chairman, appoint the Managing Director, one or more whole time director(s) and non-rotational part-time directors, the number of which along with the Chairman or Chairman and Managing Director in aggregate shall not exceed one-third of the total number of directors of our Company. The directors who are liable to retire by rotation will be appointed in an annual general meeting on nomination by the President in consultation with the Chairman of our Company. Except as stated above, none of our Directors or Key Managerial Personnel have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

Borrowing powers of our Board

Subject to the applicable provisions of the Companies Act, 2013 and as per Articles of Association of our Company, our Board is authorized to borrow money (apart from temporary loans obtained, or to be obtained from our Company's banker in the ordinary course of business) which shall not exceed the aggregate amount of its paid-up capital of our Company and its free reserves for the purpose of the business of our Company.

Details of Appointment and Term of our Directors

Sr. No.	Name of Director	Ministry of Steel, Government of India Order No. and Date	Date of Appointment of Director	Term
1.	Bam Bahadur Singh	No. 8/4/2015-BLA dated March 14, 2016	June 1, 2016	Appointed as Chairman and Managing Director for a period of five (5) years with effect from June 1, 2016 (date of assumption of charge) or till the date of his superannuation or until further orders from the MoS, whichever is the earliest.
2.	Subrata Sarkar	F No. 8/2/2017-BLA Dated August 20, 2018	December 1, 2018	Appointed as Director (Finance) for a period of five (5) years with effect from December 1, 2018 (date of assumption of charge) or till the date of his superannuation or until further orders from the MoS, whichever is the earliest.
3.	Bhanu Kumar	F. No. 8/1/2016-BLA dated October 10, 2017	October 10, 2017	Appointed as Director (Commercial) for a period of five (5) years with effect from October 10, 2017 (date of assumption of charge) or till the date of her superannuation or until further orders from the MoS, whichever is the earliest.
4.	Ruchika Chaudhry Govil	No. 1/16/2015-BLA dated October 11, 2017	October 11, 2017	Appointed as a Government Nominee Director on the Board of our Company with effect from October 11, 2017 till further orders from the MoS.
5.	Promodita	No. 1/16/2015-BLA dated June 15, 2017	June 15, 2017	Appointed as a Government Nominee Director on the Board of our Company with effect from June 15, 2017 till further orders from the MoS.
6.	Gangaram Aloria	F. No. 1(10)/2015-BLA (Vol-III) dated September 6, 2017	September 6, 2017	Appointed as a Non-Official (Independent) Director for a period of three (3) years with effect from September 6, 2017 (date of notification of their appointment) or till further orders from the MoS, whichever is the earliest.
7.	Murali Vallabhan	F. No. 1(10)/2015-BLA(Vol-III) dated September 6, 2017	September 6, 2017	Appointed as a Non-Official (Independent) Director for a period of three (3) years with effect from September 6, 2017 (date of notification of their appointment) or till further orders from the MoS, whichever is the earliest.
8.	Rudramauni Shivayogeppa Yeli	F. No. 1(10)/2015-BLA(Vol-III) dated March 9, 2018	March 9, 2018	Appointed as a Non-Official (Independent) Director for a period of three (3) years with effect from March 9, 2018 (date of notification of their appointment) or till further orders from the MoS, whichever is the earliest.
9.	Pravati Parida	F. No. 1(10)/2015-	March 9,	Appointed as a Non-Official

		BLA(Vol-III) dated March 9, 2018	2018	(Independent) Director for a period of three (3) years with effect from March 9, 2018 (date of notification of their appointment) or till further orders from the MoS, whichever is the earliest.
10.	Aparna Chaturvedi	F. No. 1(10)/2015-BLA(Vol-III) (Pt.) dated December 14, 2018	December 14, 2018	Appointed as a Non-Official (Independent) Director for a period of three (3) years with effect from December 14, 2018 (date of notification of their appointment) or till further orders from the MoS, whichever is the earliest.

Payment of benefit to Directors of our Company

Except for our Chairman and Managing Director and Whole Time Directors who are entitled to benefits upon supperannuation, no other Directors are entitled to any benefit on termination of their directorship in our Company.

Remuneration of Directors

A. Chairman & Managing Director and Whole Time Directors:

The following table sets forth the remuneration paid by our Company to our Chairman & Managing Director and our Whole Time Directors for the Financial Year ended on March 31, 2018:

(₹ in million)

Name of Director	Total remuneration
Bam Bahadur Singh *Chairman and Managing Director*	6.10
Bhanu Kumar *Director (Commercial)* *Whole Time Director*	2.79
Asim Kumar Basu* *Director (Finance) and Chief Financial Officer* *Whole Time Director*	5.37
Subrata Sarkar** *Director (Finance) and Chief Financial Officer* *Whole Time Director*	Nil

** Retired with effect from November 30, 2018*
***Appointed with effect from December 1, 2018*

B. Government Nominee Directors

The Government Nominee Directors of our Company draw their remuneration, benefits and facilities from the Government and are, therefore, not paid by our Company.

C. Independent Directors

Our Independent Directors are entitled to receive sitting fee of ₹ 15,000/- (Indian Rupees Fifteen Thousand) per meeting for attending each meeting of board and committee pursuant to the Board resolution dated February 18, 2016.

The details of sitting fees paid to our Independent Directors for the Financial Year ended on March 31, 2018 is as follows:

(₹ in million)

Name of Director	Total sitting fee paid
Gangaram Aloria**	0.1
Pravati Parida*	Nil
Murali Vallabhan**	0.17
Rudramauni Shivayogeppa Yeli*	Nil
Aparna Chaturvedi***	Nil

**Appointed with effect from March 9, 2018.*
***Appointment with effect from September 6, 2017.*
****Appointed with effect from December 14, 2018.*

Details of the terms and conditions of appointment of our Chairman and Managing Director and Whole Time Directors:

The MoS prescribes the terms and conditions of appointment of our Chairman and Managing Director as well as our Whole Time Directors. Our Company prescribes the terms and conditions of employment for each of our Whole Time Directors in consonance with the terms and conditions prescribed by MoS.

Bam Bahadur Singh

Bam Bahadur Singh**,** is the Chairman and Managing Director of our Company. He was appointed with effect from June 1, 2016, pursuant to the MoS Order No. 8/4/2015-BLA dated March 14, 2016. The current terms and conditions of his employment were prescribed by MoS vide Order No. 8/1/2017-BLA dated February 28, 2017. Some of the key terms and conditions amongst others as revised from time to time are as under:

Term	For a period of five years with effect from June 1, 2016 in the first instance or till the date of superannuation or until further order, whichever event occurs earlier and in accordance with the provisions of the Companies Act, 1956 as amended. The appointment may, however, be terminated even during this period by either side on three (3) months' notice or on payment of three (3) month's salary in lieu thereof. After the expiry of the first year, the performance of Bam Bahadur Singh will be reviewed to enable the Government to take a view regarding continuance or otherwise for the balance period of tenure.
Pay	Basic pay of ₹ 77,250/- per month in the scale of ₹ 75,000-₹ 90,000/- with effect from June 1, 2016 i.e. from the date of assumption of the Office.
Headquarters	Kolkata. He will be liable to serve in any part of the country at the discretion of our Company.
Dearness allowance	It will be paid in accordance with the new IDA scheme as set out in the DPE's O.M. dated November 26, 2008, April 02, 2009, March 20, 2017 and September 26, 2018.
House Rent Allowance	Entitled to the house rent allowance as per the rates as indicated in O.M. dated September 26, 2018 issued by the DPE, Government of India.
Annual increment	Annual increment at the rate of 3% of basic pay on the anniversary date of his appointment in the scale and further increment on the same date in subsequent year until the maximum of pay scale in reached. After reaching the maximum of the scale, one stagnation increment equal to the rate of last increment drawn will be permissible after completion of every two-year period from the date he reaches the maximum of his pay scale provided he gets a performance rating of "Good" or above. He will be eligible for grant of a maximum of three such stagnation increment.
Conveyance	Entitled to the facility of staff car for private use on non-duty journeys up to 1000KM/PM (Delhi, Mumbai, Kolkata, Chennai, Bengaluru and Hyderabad) and 750 KM/PM (all other cities). The Monthly rate of recovery for non-duty journeys would be ₹ 2000 per month.
Performance related payment	Eligible for approved Performance Related Pay as per O.Ms. dated November 26, 2008, April 02, 2009, March 20, 2017 and September 26, 2018.
Other Allowances/perks	The Board of Directors will decide on the allowances and perks subject to the maximum ceiling of 50% of his basic pay as indicated in O.M. dated November 26, 2008, April 02, 2009, March 20, 2017 and September 26, 2018.
Leave	Subject to the leave rules of our Company.

Superannuation benefits	Eligible for superannuation benefit based on approved schemes as per O.M. dated November 26, 2008, April 02, 2009, March 20, 2017 and September 26, 2018.
Restriction on joining private commercial undertakings after retirement/ resignation	After retirement/resignation from the service of our Company, he shall not accept any appointment or post, whether, advisory or administrative, in any firm or company whether Indian or foreign, with which our Company has or had business 'relations, within one (1) year from the date of his retirement/resignation, without prior approval of the Government.
Conduct, discipline and appeal rules	The Conduct, Discipline and Appeal Rules framed by the Company in respect of their non-workmen category of staff would also mutatis mutandis apply to him. However in his case the Disciplinary Authority would be the President of India. The Government also reserves the right not to accept his resignation, if the circumstance so warrant i.e. the disciplinary proceedings are pending or a decision has been taken by the competent authority to issue a charge sheet to him.

Subrata Sarkar

Subrata Sarkar is the Director (Finance), Chief Financial Officer and Whole Time Director of our Company. He was appointed with effect from December 1, 2018, pursuant to the MoS Order No. 8/2/2017-BLA dated August 20, 2018. The terms and conditions of his employment are yet to be issued by the MoS.

Bhanu Kumar

Bhanu Kumar**,** is the Director (Commercial) and Whole Time Director of our Company. She was appointed with effect from October 10, 2017, pursuant to the MoS Order No. F. No. 8/1/2016-BLA dated October 10, 2017. The current terms and conditions of her employment were prescribed by MoS vide Order No. 8/1/2016-BLA dated May 22, 2018. Some of the key terms and conditions amongst others as revised from time to time are as under:

Term	For a period of five (5) years with effect from October 10, 2017 in the first instance or till the date of superannuation or until further order, whichever event occurs earlier and in accordance with the provisions of the Companies Act, 1956 as amended. The appointment may, however, be terminated even during this period by either side on three (3) months' notice or on payment of three (3) month's salary in lieu thereof. After the expiry of the first year, the performance of Bhanu Kumar will be reviewed to enable the Government to take a view regarding continuance or otherwise for the balance period of tenure.
Pay	Basic pay of ₹ 71,940/- per month in the scale of ₹ 65,000-₹ 75,000/- with effect from October 10, 2017 i.e. from the date of assumption of the Office.
Headquarters	Kolkata. She will be liable to serve in any part of the country at the discretion of our Company.
Dearness allowance	It will be paid in accordance with the new IDA scheme as spelt out in the DPE's O.M. dated November 26, 2008, April 02, 2009, March 20, 2017 and September 26, 2018.
House Rent Allowance	Entitled to the housing rent allowance as per the rates as indicated in O.M. dated September 26, 2018.
Annual increment	Annual increment at the rate of 3% of basic pay on the anniversary date of her appointment in the scale and further increment on the same date in subsequent year until the maximum of pay scale is reached. After reaching the maximum of the scale, one stagnation increment equal to the rate of last increment drawn will be permissible after completion of every two-year period from the date she reaches the maximum of her pay scale provided she gets a performance rating of "Good" or above. She will be eligible for grant of a maximum of three such stagnation increment.
Conveyance	Entitled to the facility of staff car for private use on non-duty journeys up to 1000KM/PM (Delhi, Mumbai, Kolkata, Chennai, Bengaluru and Hyderabad) and 750 KM/PM (all other cities). The Monthly rate of recovery for non-duty journeys would be ₹ 2000 per month.

Performance related payment	Eligible for approved PRP as per O.Ms. dated November 26, 2008, February 09, 2009, April 02, 2009, March 20, 2017 and September 26, 2018.
Other Allowances/perks	The Board of Directors will decide on the allowances and perks subject to the maximum ceiling of 50% of her basic pay as indicated in O.M. dated November 26, 2008, April 02, 2009, March 20, 2017 and September 26, 2018.
Leave	Subject to the leave rules of the Company.
Superannuation Benefits	Eligible for superannuation benefit based on approved schemes as per O.M. dated November 26, 2008, April 02, 2009, March 20, 2017 and September 26, 2018.
Restriction on joining private commercial undertakings after retirement/ resignation	Bhanu Kumar after retirement/resignation from the service of the Company, she shall not accept any appointment or post, whether, advisory or administrative, in any firm or company whether Indian or foreign, with which the Company has or had business ‘relations. Within one (1) year from the date of her retirement/resignation, without prior approval of the Government.
Conduct, discipline and appeal rules	The conduct, discipline and appeal rules framed by the Company in respect of their non-workmen category of staff would also mutatis mutandis apply to her with a modification that the Disciplinary Authority in her case would be the President of India. The Government also reserves the right not to accept her resignation, if the circumstance so warrant i.e. the disciplinary proceedings are pending or a decision has been taken by the competent authority to issue a charge sheet to her.

Details of service contracts entered into by our directors with our Company providing for benefits upon termination of employment

None of our Directors are entitled to superannuation benefits except our executive Directors who have been appointed to the Board of our Company pursuant to the orders issued by the MoS. Our Directors have not entered into any service contract providing for benefits upon termination of employment.

Shareholding of our Directors

The Articles of Association do not require our Directors to hold any qualification shares in our Company.

Except as provided below, none of our Directors holds any Equity Shares:

Name of the Shareholders*	Designation	Number of Equity Shares
Bam Bahadur Singh	Chairman and Managing Director	160
Promodita	Government Nominee Director	160
Bhanu Kumar	Director (Commercial) Whole Time Director	160
Subrata Sarkar	Director (Finance), Chief Financial Officer Whole Time Director	160

**As a nominee of the President of India*

Bonus or profit sharing plan

Except for the approved performance related pay which our Chairman & Managing Director and our Whole Time Directors’ are eligible for, as per DPE’s O.M.s dated November 26, 2008, February 9, 2009 and April 2, 2009 as stated under “*Details of the terms and conditions of appointment of our Chairman and Managing Director and Whole Time Directors*” there are no bonus or profit sharing plans for our Directors.

Interests of Directors

Our Whole Time Directors and Chairman and Managing Director may be regarded as interested to the extent of the remuneration (including performance related pay) payable to them for services rendered as Directors of our Company and to the extent of other reimbursements of expenses payable to them as per their terms of appointment.

Bam Bahadur Singh and Subrata Sarkar are also on the Board of Directors of MMRPL and are not entitled to any remuneration or fees from MMRPL.

Bam Bahadur Singh and Bhanu Kumar are also on the Board of Directors of our Subsidiary and are not entitled to any remunerations and fees from our Subsidiary.

The Independent Directors may be deemed to be interested to the extent of the sitting fees paid to them for attending the meetings of the Board and committees of the Board and to the extent of other reimbursements of expenses payable, if any, payable to them as per their terms of appointment.

Our Government Nominee Directors are not entitled to remuneration or sitting fee or any other remuneration from our Company.

No consideration in cash, shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested as a member by any person either to induce them to become, or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or companies in which they are interested, in connection with the promotion or formation of our Company.

Except as stated in *"Financial Statements – Related party disclosure as per Ind -AS 24"* on page 215 of this Red Herring Prospectus, our Directors do not have any other interest in the business of our Company.

None of our Directors are interested in any transaction of our Company in acquisition of land, construction of building and supply of machinery. Further, none of our Directors are related to any entity from whom our Company has acquired land or proposes to acquire land.

Further, Directors of our Company have no interest in any property acquired by our Company in the preceding three (3) years prior to the date of this Red Herring Prospectus or proposed to be acquired by our Company.

Changes in our Board in the last three (3) years

The changes in our Board in the last three (3) years are as follows:

S. No.	Name	Designation	Date of Appointment	Date of Cessation	Reason
1.	Aparna Chaturvedi	Additional Director	December 14, 2018	-	Appointment
2.	Subarata Sarkar	Additional Director	December 1, 2018	-	Appointment
3.	Asim Kumar Basu	Director (Finance) Whole-time Director	-	November 30, 2018	Cessation
4.	Rudramauni Shivayogeppa Yeli	Additional Director	March 09, 2018	-	Appointment
5.	Pravati Parida	Additional Director	March 09, 2018	-	Appointment
6.	Sunil Barthwal	Government Nominee Director	-	October 11, 2017	Nomination withdrawn by appointing authority (GoI)
7.	Ruchika Chaudhry Govil	Government Nominee Director	October 11, 2017	-	Appointment
8.	Bhanu Kumar	Director (Commercial)	October 10, 2017	-	Appointment
9.	Murali Vallabhan	Non-Official (Independent) Director	September 06, 2017	-	Appointment

10.	Gangaram Aloria	Non-Official (Independent) Director	September 06, 2017	-	Appointment
11.	Suraj Bhan	Government Nominee Director	-	June 15, 2017	Cessation
12.	Promodita	Government Nominee Director	June 15, 2017	-	Appointment
13.	Ajay Kumar Goyal	Director	-	December 12, 2016	Cessation
14.	Shailendra Krishna Tripathi	Managing Director	-	May 31, 2016	Cessation

Corporate Governance

In addition to the applicable provisions of the Companies Act and DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, provisions of the SEBI Listing Regulations will also be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges.

Our Chairman & Managing Director is an executive Director. Our Company currently has ten (10) Directors, of which three (3) are executive Directors, two (2) are Government Nominee Directors, five (5) are Independent Directors. The Board comprises of five (5) women directors.

Pursuant to MCA notifications dated June 5, 2015, June 13, 2017 and February 5, 2018 and any other notification issued by MCA, the Central Government has exempted/ modified the applicability of certain provisions of the Companies Act, 2013 in respect of Government Companies. In accordance with this notification, the DPE Guidelines on Corporate Governance for CPSE and pursuant to our Articles, matters pertaining to, among others, appointment, remuneration and performance evaluation of our Directors are determined by the President of India. Further, our Statutory Auditor is appointed by the Comptroller and Auditor General of India. Accordingly, in so far as the aforestated matters are concerned, the terms of reference of our Nomination and Remuneration Committee and Audit Committee only allow these committees to take on record the actions of the President of India or the Comptroller and Auditor General of India, as the case may be.

Pursuant to Regulation 19(4) read with Paragraph A of Part D of Schedule II of SEBI Listing Regulations, provisions relating to (i) identification of persons who are qualified to become directors, (ii) recommending appointment and removal of directors, (iii) recommending extension of the term of independent directors, (iv) formulation of criteria for evaluation of performance of the directors, (v) devising policy on diversity of the board of directors, (vi) formulation of the criteria for determining qualifications, positive attributes and independence of a director, are required to be included in the terms of reference of Nomination and Remuneration Committee. However, since our Company is a government company, the power to appoint directors on our Board is vested with the President of India acting through the MoS and, resultantly, our Nomination and Remuneration Committee and our Board members do not have the power to appoint Directors to our Board. In this regard, our Company has been granted an exemption by SEBI from compliance with the aforementioned provisions, vide SEBI Exemption Letter under Regulation 300 of SEBI ICDR Regulations.

Other than as described above, our Company is in compliance with corporate governance norms prescribed under SEBI Listing Regulations, including in relation to the composition of its committees, such as the Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee and CSR Committee, policy on fraud prevention, whistle blower scheme, right to information, corporate social responsibility and sustainable development policy, accessibility and policy for determining materiality of an event/information for making adequate disclosure of such an event/information before the Stock Exchanges.

Committees of our Board

In terms of the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, our Company has constituted/ reconstituted the following Board-level committees:

(a) Audit committee;

(b) Nomination and Remuneration committee; and

(c) Stakeholders Relationship Committee.

(a) Audit Committee

The Audit Committee was constituted pursuant to a resolution passed by our Board dated March 4, 2006. The Committee was re-constituted vide passing the board resolution dated December 7, 2018. The current composition of the Audit Committee is as follows:

Name of the Directors	Position in the Committee	Designation
Gangaram Aloria	Chairman	Non-Official (Independent) Director
Murali Vallabhan	Member	Non-Official (Independent) Director
Pravati Parida	Member	Non-Official (Independent) Director
Promodita	Member	Government Nominee Director

Our Company Secretary is the secretary of the Audit Committee.

Scope and terms of reference: The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013, Regulation 18(3) of the SEBI Listing Regulations and the guidelines on corporate governance on Central Public Sector Enterprises issued by the DPE.

Terms of reference for the Audit Committee are as follows:

1. To assist the Board in its oversight functions relating to:

    a) quality and integrity of disclosures contained in the audited and unaudited financial statements;

    b) compliance with legal and regulatory requirements;

    c) qualifications, experience, performance and independence of external auditors;

    d) integrity of the internal controls established from time to time; and

    e) investments of our Company.

2. To investigate into any matter in relation to the items specified in Section 177 of the Companies Act, 2013 or referred to it by the Board and for this purpose, shall have full access to information contained in the records of our Company and seek external professional advice, if necessary.

3. To investigate any activity within its terms of reference.

4. To seek information from any source including employees.

5. To obtain outside legal or other professional advice, if necessary.

6. To secure attendance of outsiders with relevant expertise, if it considers necessary.

7. To protect whistle blowers.

8. Overseeing our Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

9. Reviewing with the management, the quarterly / half yearly financial statements before submission to the Board for approval.

10. Reviewing with the management, annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:

    a) Matters required to be included in the Directors’ Responsibility Statement to be included in the Board’s report in terms of clause (3)(c) of Section 134 of the Companies Act, 2013;

b) Changes, if any, in accounting policies and practices and reasons for the same;

c) Major accounting entries involving estimates based on the exercise of judgment by management;

d) Significant adjustments made in the financial statements arising out of audit findings;

e) Compliance with accounting standards issued by the Institute of Chartered Accountants of India;

f) Compliance with legal requirements relating to financial statements;

g) Disclosure of any related party transaction; and

h) Qualifications in the draft audit report.

11. **<u>Audit(s)</u>**

(i) Internal Audit:

a) Reviewing, with the management, performance of internal auditors (external firms) and adequacy of internal control systems.

b) Reviewing the adequacy of internal audit (in house) function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of such audit.

c) Discussion with internal auditors on any significant findings and follow up thereon.

d) Recommending to the Board appointment and fixation of fees for Internal Auditors for Audit and other services if any.

(ii) Statutory Audit & Branch Audit:

a) Discussion with statutory auditors and Branch Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

b) Discussion with statutory auditors and Branch Auditors on any significant findings and follow up thereon.

c) Recommending to the Board the fixation of Statutory and Branch Audit Fees.

d) Approval of payment to statutory auditors for any other services (other than audit) rendered by them.

(iii) Cost Audit & Tax Audit:

Recommending to the Board, the appointment, re-appointment and if required, replacement or removal of cost auditors and tax auditors and fixation of Audit fees and other terms of appointment.

12. Reviewing and monitoring the auditors' independence and performance and effectiveness of audit process.

13. Review the Cost Audit Report along with full information and explanation on every reservation or qualification contained therein and recommend the report to the Board for consideration

14. Provide an open avenue of communication between the independent auditor, internal auditor and the

Board of Directors.

15. Review with the independent auditors the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.

16. Consider and review the following with the independent auditors and management:

    a) The adequacy of internal controls including computerized information system controls and security, and

    b) Related findings and recommendations of the Independent auditor and internal auditor, together with the management responses.

17. Consider and review the following with the management, internal auditor and the independent auditor:

    a) Significant finding during the year, including the status of previous audit recommendations

    b) Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.

18. **Government audit**: To review the follow up action on the audit observations of the C&AG audit.

19. Reviewing the findings of any internal investigations by the internal auditors/statutory auditors/other agencies into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

21. To review the functioning of the Whistle Blower Mechanism.

22. To review the follow-up action taken on the recommendations of committee on public undertakings (COPU) of the Parliament.

23. Review and pre-approve all related party transactions in our Company. For this purpose, the Audit Committee may designate a member who shall be responsible for pre-approving related party transactions.

24. Review our Company's financial policies, commercial policies and risk management policies.

25. Evaluation of internal financial controls and risk management system.

26. Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in this offer document/prospectus/notice, and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or right issue, and making appropriate recommendations to the Board to take up steps in this matter.

27. Scrutiny of inter-corporate loans and investments.

28. Valuation of undertakings or assets of our Company, wherever it is necessary.

29. Approval or any subsequent modification of transactions of our Company with related parties.

30. Review the following information:

    a) The management discussion and analysis of financial condition and results of operations;

    b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;

c) Management letter / letters of internal control weaknesses issued by the statutory auditors;

d) Internal audit reports relating to internal control weaknesses;

e) The appointment, removal and terms of remuneration of internal auditors/chief internal auditor; and

f) Certification / declaration of financial statements by the chief executive/chief finance officer.

31. To call for comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and to discuss any related issue with the internal and statutory auditors and the management of our Company.

32. Review of the quarterly statement for deviation including report of monitoring agency, if applicable submitted to Stock Exchanges.

33. Review the utilization of loans and/ or advances from/investment by the Company in its subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments which shall be effective from April 1, 2019 or such other date as may be prescribed by SEBI, as the case may be.

34. Carrying out such other functions as may be specifically referred to the Committee by our Company's Board of Directors and/or other Committees of Directors.

(b) Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted as our 'Remuneration Committee' pursuant to a resolution of our Board dated May 1, 2010. The committee was re-constituted on December 7, 2018. The current composition of the Nomination and Remuneration Committee is as follows:

Name of the Directors	Position in the Committee	Designation
Gangaram Aloria	Chairman	Non-Official (Independent) Director
Murali Vallabhan	Member	Non-Official (Independent) Director
Promodita	Member	Government Nominee Director
Rudramauni Shivayogeppa Yeli	Member	Non-Official (Independent) Director

Our Company Secretary is the secretary of the Nomination and Remuneration Committee.

Scope and terms of reference: The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 read with rule 6 of the companies (meeting of Board and its powers) Rules, 2014 and the guidelines on corporate governance on Central Public Sector Enterprises issued by the DPE.

Terms of reference for the Nomination and Remuneration Committee are as follows:

1. To decide the annual bonus / variable pay pool Performance Related Pay (PRP) and policy for its distribution across the executives (including Board Level executives) and non-unionised supervisors within the prescribed limits for each financial year.

2. To examine all the proposals related to HR issue and give its recommendations.

3. The recommendations of the "Nomination & Remuneration Committee" are placed before the Board of Directors for approval;

4. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

5. Formulation of criteria for evaluation of performance of independent directors and the board of directors;

6. Devising a policy on diversity of board of directors;

7. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

8. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

9. Recommend to the board, all remuneration, in whatever form, payable to senior management which shall be effective from April 1, 2019 or such other date as may be prescribed by SEBI, as the case may be.

(c) Stakeholders Relationship Committee

The Stakeholders Relationship Committee was constituted as the 'Share Transfer Committee' pursuant to the Board Resolution passed on June 30, 2011. It was re-constituted as the 'Stakeholders Relationship Committee' pursuant to the Board Resolution dated December 7, 2018. The current composition of our Stakeholders Relationship Committee is as follows:

Name of the Directors	Position in the Committee	Designation
Murali Vallabhan	Chairman	Non-Official (Independent) Director
Bhanu Kumar	Member	Director (Commercial) Whole Time Director
Subrata Sarkar	Member	Director (Finance) & CFO Whole Time Director
Pravati Parida	Member	Non-Official (Independent) Director

Our Company Secretary is the secretary of the Stakeholders Relationship Committee.

Scope and terms of reference:

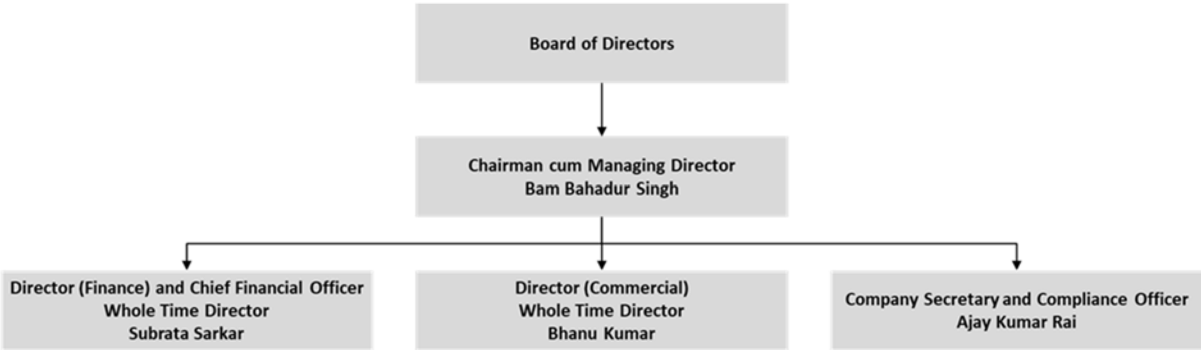
1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

2. Review of measures taken for effective exercise of voting rights by shareholders.

3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar & share transfer agent.

4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timelyreceipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

ORGANIZATION STRUCTURE OF OUR COMPANY



Key Managerial Personnel

The following persons are the Key Managerial Personnel of our Company:

1. Bam Bahadur Singh, Chairman and Managing Director

2. Subrata Sarkar, Director (Finance) and CFO, Whole Time Director

3. Bhanu Kumar, Director (Commercial), Whole Time Director

4. Ajay Kumar Rai, Company Secretary and Compliance Officer

Brief Profiles of our Key Managerial Personnel

For brief profiles of Bam Bahadur Singh, Subrata Sarkar and Bhanu Kumar, please refer to the section titled "*Our Management – Brief biographies of our Directors*" above. The brief profiles of our other Key Management Personnel are set out below:

Ajay Kumar Rai

Ajay Kumar Rai, aged forty four (44) years is a Company Secretary of our Company. He was designated as the Compliance Officer of our Company for the purposes of SEBI Listing Regulations with effect from December 7, 2018. He is a fellow member of the Institute of Company Secretaries of India. He also holds the degree of Bachelor of Commerce from the University of Calcutta and the Bachelors of Law from Utkal University. He also holds a post graduate diploma in personel management from National Institute of Personnel Management. He has over 19 (nineteen) years of experience in legal and secretarial compliances.

All the Key Managerial Personnels are permanent employees of our Company.

Remuneration of the KMPs

In addition to as disclosed under the section titled "*Our Management – Remuneration of our Directors*" on page 151 of this Red Herring Prospectus and except as disclosed below no compensation has been received by the KMPs of our Company for the Financial Year ended on March 31, 2018 and no benefits in kind were granted by our Company for services rendered:

(₹ in million)

Name of KMP	Total remuneration paid
Subrata Kumar Ray*	3.09
Ajay Kumar Rai**	Nil

** Resigned with effect from July 27, 2018*
***Appointment with effect from July 27, 2018*

Bonus or profit sharing plan for our Key Management Personnel

Our Company has formulated the 'Performance Related Payment Scheme' which is in accordance with the DPE orders on pay-revision dated November 26, 2008, February 9, 2009, April 2, 2009, March 20, 2017 and September 26, 2018 which stipulate the procedures on performance management system.

Changes in our KMPs in the last three (3) years

Except as disclosed below and as stated under the paragraph "*Changes in our Board in the last three (3) years*" above, there are no changes in the Key Managerial Personnel of our Company in the last three (3) years:

S. No.	Name	Designation	Date of change	Reason
1.	Ajay Kumar Rai	Company Secretary	July 27, 2018	Appointment
2.	Subrata Kumar Ray	Company Secretary	July 27, 2018	Resignation

Shareholding of the KMPs

In addition to the disclosure made under "*Our Management – Shareholding of the Directors",* Ajay Kumar Rai, our Company Secretary and Compliance Officer, holds 160 Equity Shares of our Company as a nominee of the President of India.

Contingent and deferred compensation payable to our Directors/ KMPs

There is no contingent or deferred compensation payable to our Directors/ KMPs, which form part of their remuneration.

Interests of the KMPs

None of our Key Managerial Personnel have any interest in our Company other than to the extent of remuneration and benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares of our Company held by them, as the case may be, in the capacity of nominee of our Promoter, if any.

Except statutory benefits upon termination of their employment in our Company, resignation or superannuation, as the case may be, and certain post-retirement benefits, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation.

Payment or benefits to officers of our Company (non-salary related)

No non-salary amount or benefit has been paid or given to any officer of our Company in the last two (2) years or is intended to be paid, other than their remuneration for the services rendered in the ordinary course of their employment.

Employee Stock Option Scheme

Our Company does not have any employee stock option scheme or employee stock purchase scheme.

Relationships among Key Managerial Personnel

None of our Key Managerial Personnel's are related to each other.

Family Relationship among Directors and Key Managerial Personnel

None of our Key Managerial Personnel are related any of Directors.

Any arrangement with major shareholder, customers, supplier or others, pursuant to which any of the KMPs was selected as a KMP

None of the KMPs was selected as a KMP pursuant to any arrangement with major shareholder, customers, supplier or others.

Loans taken by Directors/ Key Managerial Personnel

Our Directors/ Key Managerial Personnel have not taken any loan from our Company.

OUR PROMOTER AND PROMOTER GROUP

Our Promoter is the President of India, acting through the MoS. Our Promoter, along with its nominees, currently holds 89.85% of the pre-Offer paid-up Equity Share capital of our Company. Assuming the sale of all Offered Shares, pursuant to this Offer our Promoter shall hold 64.75% of the post-Offer paid-up Equity Share capital of our Company. As our Promoter is the President of India, acting through the MoS, disclosures on the Promoter Group (defined in Regulation 2(1)(pp) of the SEBI ICDR Regulations), as specified in Schedule VI of the SEBI ICDR Regulations have not been provided.

OUR GROUP COMPANY

As per the SEBI ICDR Regulations for the purpose of identification of group companies for disclosure in this Red Herring Prospectus, our Company has considered those companies as group companies with whom we have entered into related party transactions, under Ind-AS 24 issued under the Companies Act in consultation with the Institute of Chartered Accountants of India as per our Restated Financial Statement and other companies as considered material by our Board.

For avoidance of doubt, it is hereby clarified that our Subsidiary, which has been consolidated in the Restated Financial Statements, has not been considered as a group company for the purpose of disclosure in this Red Herring Prospectus.

Further, pursuant to a resolution of our Board dated January 11, 2019, for the purpose of disclosure in this Red Herring Prospectus, apart from Mahindra MSTC Recycling Private Limited there are no other company which have been considered material and disclosed as group companies of our Company.

Accordingly, as on the date of this Red Herring Prospectus, our Company has one group company namely Mahindra MSTC Recycling Private Limited.

Corporate Information

Mahindra MSTC Recycling Private Limited ("**MMRPL**") was incorporated as a private limited company, under the Companies Act, 2013 on December 16, 2016 pursuant to the JVA dated August 8, 2016 entered into by our Company and MIL and a certificate of incorporation was issued by the Registrar of Companies, Maharashtra on December 16, 2016. The registered office of MMRPL is situated at Mahindra Towers, P. K. Kurne Chowk, Worli Mumbai-400018, Maharashtra, India. The corporate identity number of MMRPL is U37100MH2016PTC288535.

Nature of business

MMRPL is authorised by its memorandum of association, to carry on the business of setting up, owning, maintenance and operation of shredding plants and facilities for purchase, storage, collection, segregating, processing, recycling and importing of ELVs and end of life white goods and other materials and sale there from of shredded ferrous and non-ferrous metal scrap and all other types of scrap including E waste scrap, plastics, rubber, spare parts and any other disposable items, within and outside India.

Capital Structure

The authorised share capital of MMRPL is ₹ 600,000,000 divided into 60,000,000 equity shares having a face value of ₹ 10 each and its issued and paid up equity share capital is ₹ 272,000,000 divided into 27,200,000 equity shares of face value of ₹ 10 each.

Audited financial information

Set forth below are the details of Audited Financial Statements of MMRPL for the half year period ended on September 30, 2018 and financial years ended on March 31, 2018 and March 31, 2017:

(*₹ in millions except share data and earning per share*)

Particulars	Half year period ended on September 30, 2018	Fiscal 2018	Fiscal 2017
Authorised equity share capital	600.00	600.00	600.00
Issued & Paid up equity share capital*	212.00	212.00	62.00
Reserves (excluding revaluation reserve)	(55.58)	(36.04)	(9.41)
Revenue from operations	2.27	5.73	0.31
Profit/(loss) after tax	(19.54)	(26.47)	(9.34)
Earnings (Loss) per share, basic and diluted	(1.86)	(0.82)	(10.23)

Net asset value per share	7.38	8.30	8.48

**As on the date of this RHP the issued and paid-up capital of MMRPL is ₹272 million.*

Shareholding pattern

The shareholding pattern of MMRPL as on date of this Red Herring Prospectus is given below:

Equity share capital:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up equity share capital (%)
MSTC Limited	13,600,000	50
MIL	13,600,000	50
Total	**27,200,000**	**100**

Litigations

As on the date of this RHP, there are no outstanding litigations involving our Group Company which may have a material impact on our Company.

Nature and Extent of Interest of our Group Company

(a) In the promotion of our Company

Our Group Company does not have any interest in the promotion of our Company.

(b) In the properties acquired or proposed to be acquired by our Company

Our Group Company does not have any interest in any property acquired in the three (3) years preceding the date of filing of this Red Herring Prospectus or proposed to be acquired by the Company as on the date of this Red Herring Prospectus.

(c) In transaction for acquisition of land, construction of buildings and supply of machineries

Our Group Company has no interest in the transactions for acquisition of land, construction of building and supply of machinery or any other contracts, agreements or arrangements entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements by our Company to our Group Company.

Sick or Defunct company

As on the date of this Red Herring Prospectus, our Group Company has not become sick or defunct within the meaning of the erstwhile Sick Industrial Companies (Special Provisions) Act, 1985, and Companies Act, respectively or declared insolvent or bankrupt under the Insolvency and Bankruptcy Code, 2016, as amended. Further, there are no winding up, insolvency or bankruptcy proceedings initiated against MMRPL, as on the date of this Red Herring Prospectus.

As on the date of this Red Herring Prospectus, no application has been made to the RoC for striking off the name of MMRPL since its incorporation.

Loss in the immediately preceding year

Our Group Company has incurred losses in the immediately preceeding two (2) years and half year period ended on September 30, 2018. MMRPL incurred a loss of ₹ 19.54 million in the half year period ended on September 30, 2018 and losses of ₹ 26.47 million and ₹ 9.34 million as on March 31, 2018 and March 31, 2017, respectively.

Business and other interest in Group Company

Except as stated below, MMRPL has no other business interest in our Company:

MMRPL receives e-auction services from our Company through its e-commerce platform.

Common pursuits amongst the Group Company and our Company

Except as disclosed below, there are no common pursuits among our Company and MMRPL:

MMRPL receives E-auction services from our Company through its E Commerce platform.

Related business transactions within the Group Company and significance on the financial performance of the Company

Except as disclosed in the section titled "*Related Party Transactions*" on page 215 of this Red Herring Prospectus, there are no related business transactions of our Company with its Group Company.

Other Disclosures

MMRPL is not listed and has never been refused listing on any stock exchange and has not made any public/rights issue since its incorporation. Further no action has been taken against MMRPL by any stock exchange or SEBI.

Further MMRPL has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

DIVIDEND POLICY

DIPAM, by an OM (F. No. 5/2/2016-Policy) dated May 27, 2016, issued "Guidelines on Capital Restructuring of Central Public Sector Enterprises" ("**CPSE Capital Restructuring Guidelines**") read with OM F.No. PP/14(0005)/2016 dated June 20, 2016. In accordance with CPSE Capital Restructuring Guidelines, with effect from Fiscal Year 2016, our Company is required to pay a minimal annual dividend of 30% of its PAT or 5% of its net worth, whichever is higher, unless an exemption is provided in accordance with the CPSE Capital Restructuring Guidelines. Therefore, subject to the provisions of CPSE Capital Restructuring Guidelines, the Articles of Association and the Companies Act, the declaration and payment of dividend is recommended by the Board and approved by the Shareholders.

Our Company has a formal dividend policy as adopted by the Board vide its board resolution dated January 11, 2019. The amount of dividend paid our Company, will depend on a number of factors, including but not limited to the future expansion plans and capital requirements, profit earned during the fiscal year, utilization towards reserves and surpluses, liquidity and applicable taxes including dividend distribution tax payable by our Company.

For further details on dividend paid by our Company, please refer to the section titled "*Financial Statements-Annexure VI – Notes to Restated Consolidated Financial Information*" on page 176 of this Red Herring Prospectus.

The dividend and dividend tax paid by our Company for the half year period ended on September 30, 2018 and for the Financial Year ended on March 31, 2018, March 31, 2017 and March 31, 2016 are given below:

Particulars	**From October 1, 2018 till the date of this Red Herring Prospectus**		**For the half year period ended on September 30, 2018***		**Fiscal 2018**		**Fiscal 2017**		**Fiscal 2016**	
	Final	**Interim**	**Final**	**Interim**	**Final****	**Interim**	**Final*****	**Interim**	**Final******	**Interim**
Dividend paid (in ₹ million)	Nil	Nil	260.48	Nil	249.90	Nil	180.40	167.20	182.20	Nil
Total Dividend paid per Equity Share (in ₹)	Nil	Nil	7.40	Nil	7.10	Nil	10.25	9.50	20.70	Nil
Rate of Dividend (%)	Nil	Nil	74	NA	71	NA	102.50	95	207	NA
Mode of payment of dividend	NA	NA	Dividend warrant & Electronic transfer	NA	Dividend warrant & Electronic transfer	NA	Dividend warrant & Electronic transfer	Dividend warrant & Electronic transfer	Dividend warrant & Electronic transfer	NA

** Dividend has been paid for fiscal year 2018.*
*** Dividend has been paid for fiscal year 2017.*
****Dividend has been paid for fiscal year 2016.*
*****Dividend has been paid for fiscal year 2015.*

The amounts distributed as dividends in the past are not necessarily indicative of our dividend amounts, if any, or our dividend policy, in the future. For further details, please refer to the section titled "*Risk Factors*" on page 25 of this Red Herring Prospectus.

SECTION VI: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

In accordance with the SEBI ICDR Regulations, the standalone audited financial information of our Company and our material subsidiary (in this case being FSNL) for Fiscals 2016, 2017 and 2018 are available on our website at https://www.mstcindia.co.in/content/Financialperformance.aspx?l=hi

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To
The Board of Directors,
MSTC Limited

Independent Auditors' Examination Report on Restated Consolidated Indian Accounting Standards ("Ind AS") Financial Information in connection with offering of equity shares of INR 10 each of the Company through an offer of sale by the President of India acting through Ministry of Steel, Government of India in the Initial Public Offering ("IPO") of MSTC Limited (the "Company").

1. We have examined the attached Restated Consolidated Ind AS Financial Statements of the Company and its subsidiary (the Holding Company and its subsidiary collectively referred to as the 'Group') and joint venture, comprising the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2018, March 31, 2018, March 31, 2017 and March 31, 2016, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash Flow for the half year ended September 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016 and Significant Accounting Policies read together with the annexures and notes thereto and other restated consolidated financial information explained in paragraph 7 below (collectively, the "Restated Consolidated Financial Information") as approved by the Board of Directors at their meeting held on January 11, 2019 for the purpose of inclusion in the offer documents prepared by the Company in connection with its proposed IPO in terms of the requirements of:

   a. Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended ("the Act") and

   b. the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations") read with SEBI Circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 on clarification regarding applicability of Indian Accounting Standards to disclosure in offer documents.

   The preparation of the Restated Consolidated Ind AS Financial Information is the responsibility of the Management of the Company for the purpose set out in paragraph 10 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Ind AS Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Companies Act and ICDR Regulations.

2. We have examined such Restated Consolidated Ind AS Financial Information taking into consideration:

   a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated November 26, 2018 in connection with the proposed IPO; and

   b. The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India ("ICAI") ("The Guidance Note").

3. These Restated Consolidated Ind AS Financial Information have been compiled by the Management from:

   a. The audited consolidated financial statements of the Group and its joint venture as at and for the half year ended September 30, 2018, prepared in accordance with the Ind AS prescribed under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act and on which we have expressed an unmodified audit opinion vide our report dated January 11, 2019 and that have been approved by the Board of Directors at their Board meeting held on January 11, 2019.

   We draw attention to the following emphasis of matters:

   i) Note no. 9.4 (Trade Receivables) and Note no. 47 of notes to the Restated Consolidated Ind AS financial statements;

ii) In the case of the Subsidiary Company M/s (Ferro Scrap Nigam Limited), the valuation method of non-moving inventories adopted by the Company is not in accordance with Ind AS 2 on Valuation of Inventories.

Our opinion is not modified in respect of these matters

a. The audited Consolidated Ind AS financial statements of the Group and its joint venture as at and for the year ended March 31, 2018 prepared in accordance with the Ind AS prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and the other relevant provisions of the Act which has been approved by the Board of Directors at their Board meeting held on July 27, 2018;

b. The audited Consolidated Ind AS financial statements of the Group and its joint venture as at and for the year ended March 31, 2017, prepared in accordance with the Ind AS prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and the other relevant provisions of the Act which has been approved by the Board of Directors at their Board meeting held on July 28, 2017. These audited Consolidated Ind AS financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS which have been examined by us;

c. The audited consolidated financial statements of the Group as at and for the year ended March 31, 2016 prepared in accordance with Companies (Accounting Standards) Rules, 2006, as amended, other accounting principles generally accepted in India ("Previous GAAP" or "iGAAP") and the other relevant provisions of the Act which has been approved by the Board of Directors at their Board meeting held on July 22, 2016.

d. We did not audit the consolidated financial statements of the Group as at and for the years ended March 31, 2017 and March 31, 2016. Audit for the financial years ended March 31, 2017 and March 31, 2016 was conducted by the predecessor auditor, M/s Ray & Co., whose reports dated July 28, 2017 and July 22, 2016, respectively, expressed qualified opinion on those consolidated financial statements and our opinion in the consolidated examination report in so far as it relates to the amounts included in Restated Consolidated Ind AS Financial Information in respect of these years on the basis of these consolidated financial statements is based solely on the audit reports of such predecessor auditor.

4. We did not audit the standalone financial statements of the wholly owned subsidiary, M/s Ferro Scrap Nigam Limited and joint venture, M/s Mahindra MSTC Recycling Pvt Ltd as at and for the half year ended September 30, 2018, March 31, 2018, March 31, 2017 and March 31, 2016 as applicable whose aggregate share of total assets, total revenues, net cash flows and share of profit / loss in joint venture, included in the Restated Consolidated Financial Information, for the relevant years are tabulated below:

(*In ₹ million*)

Particulars	**September 30, 2018**	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**
Total Assets*	3663.75	3606.60	3383.00	3683.70
Revenue*	1793.79	3403.00	3283.00	3470.70
Net Cash Inflows*	52.31	(228.76)	154.10	1132.00
Share of profit/ (loss) in its joint ventures	(9.85)	(13.10)	(4.70)	-

* *Gross before giving consolidation adjustments.*

The financial statements of the wholly owned subsidiary have been audited by other audit firms, namely M/s Laxmi Tripti & Associates for the half year ended September 30, 2018 and M/s Agrawal & Pansari for the years ended March 31, 2018, March 31, 2017 and March 31, 2016 whose reports have been furnished to us by the Company and our opinion in so far as it relates to the amounts included in these Restated Consolidated Ind AS Financial Information are based solely on the audit reports of the predecessor auditor.

The financial statements of the joint venture have been audited by other audit firm, namely M/s BSR

& Co. LLP for the half year ended September 30, 2018, March 31, 2018 and March 31, 2017 whose reports have been furnished to us by the Company and our opinion in so far as it relates to the share of loss included in these Restated Consolidated Ind AS Financial Information are based solely on the audit reports of the predecessor auditor. Investment in Joint Venture has been accounted under the equity method wherein the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss and the Group's share of other comprehensive income of the investee. There is no line by line consolidation of items in accounting of investment in joint venture.

5. In accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013("the Act") read with ICDR Regulations and the Guidance Note, we report that:

a. The Restated Consolidated Statement of Assets and Liabilities of the Group as at and for the half year ended September 30, 2018, March 31, 2018, March 31, 2017 and March 31, 2016 examined by us, as set out in Annexure I to the Restated Consolidated Financial Information, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VII: Statement on Adjustments to the Audited Consolidated Financial Statements.

b. The Restated Consolidated Statement of Profit and Loss (including other comprehensive income) of the Group, for the half year ended September 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016 examined by us, as set out in Annexure II to the Restated Consolidated Financial Information, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VII: Statement on Adjustments to the Audited Consolidated Financial Statements.

c. The Restated Consolidated Statement of Cash Flow of the Group, as at and for the half year ended September, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016 examined by us, as set out in Annexure III to the Restated Consolidated Financial Information, have been arrived at after making adjustments and regrouping/ reclassifications as in our opinion were appropriate and more fully described in Annexure VII: Statement on Adjustments to the Audited Consolidated Financial Statements.

d. The Restated Consolidated Statement of Changes in Equity of the Company, for the half year ended September 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016 examined by us, as set out in Annexure IV to the Restated Consolidated Financial Information, have been arrived at after making adjustments and regrouping/ reclassifications as in our opinion were appropriate and more fully described in Annexure VII: Statement on Adjustments to the Audited Consolidated Financial Statements.

6. Based on the above and according to the information and explanations given to us and also as per the reliance placed on the financial statements audited by the predecessor auditors, M/s Ray & Co., Chartered Accountants for the years ended March 31, 2017 and March 31, 2016 and their audit reports which have been furnished to us by the Company, we further report that the Restated Consolidated Ind AS financial information:

a. have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;

b. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

c. do not contain any extraordinary items that need to be disclosed separately in the Restated Consolidated Financial Information and do not contain any qualification requiring adjustments.

7. We have also examined the following Restated Consolidated Ind AS financial information of the Group set out in the Annexures prepared by the Management and approved by the Board of Directors on January 11, 2019 for the half year ended September 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016. In respect of the years ended March 31, 2017 and March 31,2016, our examination was based upon the financial statements audited and reported by M/s Ray & Co., Chartered

Accountants and relied upon by us:

a. Annexure V : Restated Consolidated Statement of Significant Accounting Policies;

b. Annexure VI : Notes to Restated Consolidated Financial Information;

c. Annexure VII : Statement on Adjustments to Audited Consolidated Financial Statements;

d. Annexure VIII : Restated Consolidated Statement of Accounting Ratios;

e. Annexure IX : Restated Consolidated Statement of Capitalization;

According to the information and explanations given to us, and also as per the reliance placed on the reports submitted by the predecessor auditors, M/s Ray & Co., Chartered Accountants, in our opinion, the Restated Consolidated Ind AS financial information and the above restated financial information contained in Annexure VI to IX accompanying the Restated Consolidated Ind AS financial information, read with Restated Consolidated Statement of Significant Accounting Policies disclosed in Annexure V, are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act, ICDR Regulations and the Guidance Note.

8. This Report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or by the predecessor auditors, M/s Ray & Co., Chartered Accountants, nor should this Report be construed as a new opinion on any of the audited consolidated financial statements referred to herein.

9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10. Our report is intended solely for use of the Management for inclusion in the offer document to be filed with Securities and Exchange Board of India, the Stock Exchanges where the equity shares are proposed to be listed and the Registrar of Companies, located at Kolkata, in connection with the proposed IPO of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **D.K. Chhajer & Co.**
Chartered Accountants
Firm Registration No: 304138E

Niraj Kumar Jhunjhunwala

Partner
Membership Number: 057170

Place: Kolkata
Date: January 11, 2019

Amount ₹ in Millions

Annexure I : Restated Consolidated Statement of Assets and Liabilities

	Notes	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
ASSETS					
(1) Non-current assets					
(a) Property, Plant and Equipment	2	704.20	677.10	641.90	615.50
(b) Capital Work in Progress	2	169.39	104.40	21.80	41.40
(c) Intangible assets	2	10.50	13.30	16.40	1.10
		884.09	**794.80**	**680.10**	**658.00**
(d) Financial assets					
(i) Investments					
In Joint Venture	3	78.15	88.00	26.30	0.00
(ii) Trade receivables	16	-	4.40	0.50	0.20
(iii) Other financial assets	4	255.40	555.60	804.90	580.30
(e) Non-Current tax assets	5	394.11	571.54	151.70	90.60
(f) Deferred tax assets (net)	7	2,637.28	2,815.76	3,170.50	3,124.20
(g) Other non-current assets	6	166.76	104.00	39.30	58.30
Total non- current assets		**4,415.79**	**4,934.10**	**4,873.30**	**4,511.60**
(2) Current assets					
(a) Inventories	8A	58.38	41.60	743.90	191.70
(b) Financial assets					
(i) Trade receivables	9	31,881.49	36,167.61	34,598.14	25,815.94
(ii) Cash and cash equivalents	10	1,508.66	1,758.60	902.40	3,071.15
(iii) Other Bank Balances	11	4,028.72	3,789.40	3,986.00	7,005.11
(iv) Other financial assets	12	481.51	517.75	696.20	823.25
(c) Other current assets	13	162.54	143.60	171.80	176.20
		38,121.30	**42,418.56**	**41,098.44**	**37,083.35**
Assets classified as held for sale	28	29.19	25.90	26.40	26.80
Total current assets		**38,150.49**	**42,444.46**	**41,124.84**	**37,110.15**
TOTAL ASSETS		**42,566.28**	**47,378.56**	**45,998.14**	**41,621.75**
EQUITY AND LIABILITIES					
(1) Equity					
(a) Equity share capital	14	352.00	352.00	176.00	88.00
(b) Other equity	15	2,927.18	3,309.59	3,884.30	3,058.70
Total equity		**3,279.18**	**3,661.59**	**4,060.30**	**3,146.70**
(2) Non-current liabilities					
(a) Financial liabilities					
(i) Borrowings	21	33.41	-	-	-
(ii) Trade payables	17	2.64	2.64	2.64	2.64
(iii) Other financial liabilities	18	8.53	9.40	6.80	8.40
(b) Provisions	19	569.91	893.34	652.90	458.00
(c) Other non-current liabilities	20	80.38	73.69	56.80	62.70
Total non- current liabilities		**694.87**	**979.07**	**719.14**	**531.74**
(3) Current liabilities					
(a) Financial liabilities					
(i) Borrowings	22	2,986.02	7,661.80	6,883.50	6,533.31
(ii) Trade payables	23	21,901.30	26,038.20	25,596.80	21,731.70
(iii) Other financial liabilities	24	13,146.84	8,556.90	8,105.30	8,827.40
(b) Other current liabilities	26	296.72	265.80	164.40	208.60
(c) Provisions	25	258.90	212.70	468.00	621.90
(d) Current Tax Liability	27	-	-	-	19.60
		38,589.78	**42,735.40**	**41,218.00**	**37,942.51**
		38,589.78	**42,735.40**	**41,218.00**	**37,942.51**
Liabilities directly associated with assets classified as held for sale	28	2.45	2.50	0.70	0.80
Total current liabilities		**38,592.23**	**42,737.90**	**41,218.70**	**37,943.31**
Total liabilities		**39,287.10**	**43,716.97**	**41,937.84**	**38,475.05**
TOTAL EQUITY AND LIABILITIES		**42,566.28**	**47,378.56**	**45,998.14**	**41,621.75**

The accompanying Restated Consolidated Statement of Significant Accounting Policies in Annexure V and Notes to Restated Consolidated Financial Information in Annexure VI are an integral part of this statement.

In terms of our report of even date.

For D.K. Chhajer & Co.
Chartered Accountants
FRN : 304138E

For and on behalf of the Board of Directors of
MSTC LIMITED

(CA Niraj K Jhunjhunwala)
Partner
M.No : 057170

(B.B Singh)
CHAIRMAN-CUM-MANAGING DIRECTOR
(DIN- 03212787)

(Subrata Sarkar)
DIRECTOR FINANCE
(DIN- 8290021)

Dated 11.01.2019
Place: Kolkata

(R K Chaudhuri)
CHIEF GENERAL MANAGER FINANCE & ACCOUNTS

(Ajay Kumar Rai)
COMPANY SECRETARY

Amount ₹ in Millions

Annexure II : Restated Consolidated Statement of Profit & Loss

	Particulars	Note	For the Half year ended 30.09.2018	For the year ended 31.03.2018	For the year ended 31.03.2017	For the year ended 31.03.2016
I	Revenue from operations	29	14,769.12	22,654.00	17,392.20	32,251.60
II	Other Income	30	146.38	5,277.50	1,369.80	826.40
III	**Total Revenue (I + II)**		**14,915.50**	**27,931.50**	**18,762.00**	**33,078.00**
IV	**EXPENSES**					
	(a) Purchases of Stock-in-Trade/Operational Consumables & Spares	31	11,070.94	15,192.80	12,826.10	25,909.80
	(b) Changes in stock of finished goods, work-in-progress and stock-in-trade	8B	-	707.40	(554.50)	1,315.40
	(c) Employee benefit expense	32	787.40	2,114.90	1,491.50	1,401.30
	(d) Finance costs	33	334.58	673.60	677.20	973.80
	(e) Depreciation and amortisation expense	2	63.75	123.90	121.30	116.10
	(f) Other expenses	34	2,244.28	8,771.31	2,367.30	5,301.00
V	**Total Expenses**		**14,500.95**	**27,583.91**	**16,928.90**	**35,017.40**
VI	**Profit/(Loss) before exceptional items and tax (III - V)**		414.55	347.59	1,833.10	(1,939.40)
VII	Exceptional Items	35	-	-	0.50	4.00
VIII	**Profit before share of profit/(loss) of Joint Ventures and tax (VI - VII)**		**414.55**	**347.59**	**1,832.60**	**(1,943.40)**
IX	**Share of profit/(loss) of Joint Ventures**	3	**(9.85)**	**(13.10)**	**(4.70)**	**-**
X	**Profit/(Loss) before tax (VIII + IX)**		**404.70**	**334.49**	**1,827.90**	**(1,943.40)**
XI	Tax Expense					
	(a) Current tax	40	393.50	53.26	451.00	610.00
	(b) Deferred tax		170.04	346.04	(14.60)	(82.40)
	Total tax expense		**563.54**	**399.30**	**436.40**	**527.60**
XII	**Profit/(Loss) for the period (X - XI)**		**(158.84)**	**(64.81)**	**1,391.50**	**(2,471.00)**
XIII	**Other comprehensive income**					
	A (i) Items that will not be reclassifed to profit or loss	45	56.73	(30.80)	(87.80)	(286.50)
	(ii) Income tax on above		(19.82)	(2.10)	30.40	99.10
	B Share of Other Comprehensive Income of Joint Venture			(0.20)	-	-
			36.91	(33.10)	(57.40)	(187.40)
XIV	**Total comprehensive income for the period (XII + XIII)**		**(121.93)**	**(97.91)**	**1,334.10**	**(2,658.40)**
XV	**Earnings per equity share (face value of ₹ 10 each):**	41				
	(1) Basic (in ₹)		(2.26)	(0.92)	19.77	(35.10)
	(2) Diluted (in ₹)		(2.26)	(0.92)	19.77	(35.10)

The accompanying Restated Consolidated Statement of Significant Accounting Policies in Annexure V and Notes to Restated Consolidated Financial Information in Annexure VI are an integral part of this statement.

In terms of our report of even date.

For D.K. Chhajer & Co.
Chartered Accountants
FRN : 304138E

For and on behalf of the Board of Directors of
MSTC LIMITED

(CA Niraj K Jhunjhunwala)
Partner
M. No : 057170

(B.B Singh)
CHAIRMAN-CUM-
MANAGING DIRECTOR
(DIN- 03212787)

(Subrata Sarkar)
DIRECTOR
FINANCE
(DIN- 8290021)

Dated : 11.01.2019
Place: Kolkata

(R K Chaudhuri)
CHIEF GENERAL MANAGER
FINANCE AND ACCOUNTS

(Ajay Kumar Rai)
COMPANY SECRETARY

MSTC LIMITED

Annexure III : Restated Consolidated Statement of Cash Flows

Amount ₹ in Millions

Particulars	For the Half year ended 30.09.2018	For the year ended 31.03.2018	For the year ended 31.03.2017	For the year ended 31.03.2016
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit/(loss) for the year	404.70	334.49	1,827.90	(1,943.40)
Adjustments for:				
Depreciation / Amortisation of non-current assets	63.75	123.90	121.30	116.10
Loss/(Gain) on disposal of Property Plant and Equipment	(0.19)	(0.50)	5.70	(2.20)
Finance Cost	334.58	673.60	677.20	973.80
Interest Income recognised in profit & loss	(134.92)	(267.30)	(440.10)	(713.90)
Provision no Longer Required Written Back	(0.63)	(4,718.20)	(890.90)	(31.50)
Bad Debt Witten Off	-	4,594.10	241.80	-
Provision for Bad and Doubtful Advances/Debts	1,285.65	2,225.11	312.20	3,586.80
Liability written Back	-	(281.70)	-	(71.10)
Operating profit before Working Capital changes	1,952.94	2,683.50	1,855.10	1,914.60
Adjustments for changes in Operating Assets & Liabilities				
Adjustments for (increase) / decrease in Operating Assets:				
Movement in working capital:				
(Increase)/decrease in Trade and Other Receivables	3,341.81	(2,905.93)	(9,031.18)	8,398.66
(Increase)/decrease in Other Assets	(84.99)	(36.00)	23.75	4.20
(Increase)/ decrease in Inventories	(16.78)	702.30	(552.20)	1,322.88
Adjustments for increase / (decrease) in Operating Liabilities:				
Increase/ (decrease) in Trade Payables & Others Financial Liabilities	452.17	895.90	3,140.44	(8,862.10)
Increase/ (decrease) in Other Liabilities	37.57	120.09	(50.25)	(140.80)
Increase/ (decrease) in Provisions	(220.51)	(45.66)	(46.70)	328.40
Cash generated from Operations	**5,462.21**	**1,414.20**	**(4,661.04)**	**2,965.84**
Direct Taxes Paid (Net of Refund)	(227.32)	(466.60)	(532.80)	(732.50)
Net cash from Operating Activities	**5,234.89**	**947.60**	**(5,193.84)**	**2,233.34**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Payment for Property, Plant & Equipment	(193.11)	(262.90)	(193.80)	(140.00)
Proceeds from disposal of Property Plant & Equipment	40.27	24.80	44.70	5.30
Investment In Fixed Deposits	(239.33)	196.60	3,525.30	2,472.10
Investment in Joint Venture	9.85	(61.70)	(26.30)	0.00
Interest received	134.92	208.20	421.70	713.90
Net cash (used) in Investing Activities	**(247.40)**	**105.00**	**3,771.60**	**3,051.30**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Short term borrowings	(2,999.22)	30.30	1,217.10	(2,305.50)
Interest Paid	(334.58)	(673.90)	(676.20)	(973.80)
Dividend Paid	(260.48)	(249.90)	(347.60)	(182.20)
Tax on Dividends Paid		(50.90)	(72.90)	(49.30)
Net cash used in Financing Activities	**(3,594.28)**	**(944.40)**	**120.40**	**(3,510.80)**
Net increase/(decrease) in Cash & Cash equivalents(A+B+C)	**1,393.22**	**108.20**	**(1,301.84)**	**1,773.84**
Cash and Cash equivalents at the beginning of the Period	**(281.00)**	**(389.20)**	**912.64**	**(861.20)**
Cash and Cash equivalents at the end of the Period	**1,112.22**	**(281.00)**	**(389.20)**	**912.64**

Notes :

1. Figures in brackets indicate outflows.

2. **Statement Showing Cash and Cash Equivalents**

Particulars	For the Half year ended 30.09.2018	For the year ended 31.03.2018	For the year ended 31.03.2017	For the year ended 31.03.2016
Cash and Cash equivalents at the end of the Period	1,508.66	1,758.60	902.40	3,071.15
Less : Over Draft Balances at the end of the Period	396.44	2,039.60	1,291.60	2,158.51
Net Cash and Cash equivalents at the end of the Period	**1,112.22**	**(281.00)**	**(389.20)**	**912.64**

The accompanying Restated Consolidated Statement of Significant Accounting Policies in Annexure V and Notes to Restated Consolidated Financial Information in Annexure VI are an integral part of this statement.

In terms of our report of even date.

For D.K. Chhajer & Co.
Chartered Accountants
FRN : 304138E

(CA Niraj K Jhunjhunwala)
Partner
M. No : 057170

Dated : 11.01.2019
Place: Kolkata

For and on behalf of the Board of Directors of
MSTC LIMITED

B. B. Singh
CHAIRMAN-CUM-
MANAGING DIRECTOR
(DIN- 03212787)

Subrata Sarkar
DIRECTOR
FINANCE
(DIN- 8290021)

R K Chaudhuri
CHIEF GENERAL MANAGER
FINANCE & ACCOUNTS

Ajay Kumar Rai
COMPANY SECRETARY

Amount ₹ in Millions

Annexure IV : Restated Consolidated Statement of Changes in Equity

A. Equity Share Capital

Particulars	Nos	Face Value (₹)	Amount (₹)
Balance as at March 31, 2016	**88,00,000**	**10**	**88.00**
Bonus Shares issued in the ratio1:1	88,00,000	10	88.00
Balance as at March 31, 2017	**1,76,00,000**	**10**	**176.00**
Bonus Shares issued in the ratio1:1	1,76,00,000	10	176.00
Balance as at March 31, 2018	**3,52,00,000**	**10**	**352.00**
Balance as at September 30, 2018	**3,52,00,000**	**10**	**352.00**

B. Other Equity

	Capital Reserve	General Reserve	Retained Earnings	Total
Balance as at April 1, 2015	**341.60**	**5,374.70**	**232.40**	**5,948.70**
Profit/(Loss) for the year			(2,471.00)	(2,471.00)
Other Comprehensive Income for the year ,net of Income tax			(187.40)	(187.40)
Less:Final Dividend FY 14-15			(182.20)	(182.20)
Less:Dividend Distribution Tax on Final Dividend FY 14-15			(50.20)	(50.20)
Add: Excess provision of DDT written Back		0.80		0.80
Transfer to General Reserve/(From) Retained Earning		528.20	(528.20)	-
Resatated Balance as at March 31, 2016	**341.60**	**5,903.70**	**(3,186.60)**	**3,058.70**
Profit/(Loss) for the year		-	1,391.50	1,391.50
Other Comprehensive Income for the year		-	(57.40)	(57.40)
Transfer to General Reserve/(From) Retained Earning		148.90	(148.90)	-
Less:Final Dividend FY 15-16		-	(180.40)	(180.40)
Less:Dividend Distribution Tax on Final Dividend FY 15-16		-	(36.80)	(36.80)
Less:Interim Dividend FY 16-17		-	(167.20)	(167.20)
Less:Dividend Distribution Tax on Interim Dividend FY 16-17		-	(36.10)	(36.10)
Less:Issue of Bonus Shares		-	(88.00)	(88.00)
Restated Balance as at March 31, 2017	**341.60**	**6,052.60**	**(2,509.90)**	**3,884.30**
Profit/(Loss) for the year		-	(64.81)	(64.81)
Other Comprehensive Income for the year		-	(33.10)	(33.10)
Transfer to General Reserve/(From) Retained Earning		429.90	(429.90)	-
Less:Final Dividend FY 16-17		-	(249.90)	(249.90)
Less:Dividend Distribution Tax on Final Dividend FY 16-17 & Interim Dividend of Subsidiary Company in FY 17-18		-	(50.90)	(50.90)
Less:Issue of Bonus Shares			(176.00)	(176.00)
Restated Balance as at March 31, 2018	**341.60**	**6,482.50**	**(3,514.51)**	**3,309.59**
Profit/(Loss) for the period			(158.84)	(158.84)
Other Comprehensive Income for the period			36.91	36.91
Transfer to General Reserve/(From) Retained			-	-
Final Dividend FY 17-18			(260.48)	(260.48)
Balance as at September 30, 2018	**341.60**	**6,482.50**	**(3,896.92)**	**2,927.18**

The accompanying Restated Consolidated Statement of Significant Accounting Policies in Annexure V and Notes to Restated Consolidated Financial Information in Annexure VI are an integral part of this statement.

In terms of our report of even date.

For D K Chhajer & Co.
Chartered Accountants
FRN : 304138E

For and on behalf of the Board of Directors of
MSTC LIMITED

(CA Niraj K Jhunjhunwala)
Partner
M. No : 057170

(B.B Singh)
CHAIRMAN-CUM-MANAGING DIRECTOR
(DIN- 03212787)

(Subrata Sarkar)
DIRECTOR FINANCE
(DIN- 8290021)

Dated : 11.01.2019
Place: Kolkata

(R K Chaudhuri)
CHIEF GENERAL MANAGER FINANCE & ACCOUNTS

(Ajay Kumar Rai)
COMPANY SECRETARY

Annexure V : Restated Consolidated Statement of Significant Accounting Policy

1.A .General Information

MSTC Limited (the "Company") is a Miniratna Category-I Company was incorporated under the Companies Act, 1956 on 9th September, 1964. It is domiciled in India, having registered office at 225 C AJC Bose Road Kolkata 700020 and limited by shares(CIN:U27320WB1964GOI026211). The Company undertakes trading activities, e-commerce and also disposal of ferrous and non-ferrous scrap, surplus stores, minerals, agri and forest produces etc. mostly from Public Sector Undertakings and Govt. Departments. The core activity of the Company has been divided into two Operational Divisions, i.e. e-Commerce and Trading**.** The e-Commerce division undertakes disposal of Scrap, surplus stores, e-sales of minerals, agri and forest produces, and e procurement. The list of Principals includes Ministry of Defence, State Governments, PSUs like Indian Oil Corporation Ltd., Oil and Natural Gas Corporation Ltd, Bharat Sanchar Nigam Ltd, Hindustan Petroleum Corporation Ltd. etc. The mode of disposal includes e-auction, e-tender, e-reverse auction etc. Besides, MSTC also e-auctions coal from Coal India Ltd, Singareni Coalfields Ltd etc.Apart from these MSTC also provides e-procurement solution. The trading division handles import/export and domestic trade of mainly bulk industrial raw material. It looks after sourcing, purchase and sales of industrial raw materials like Heavy Melting Scrap, Low Ash Metallurgical Coke, HR Coil, Crude Oil, Naptha, Coking Coal, Steam Coal etc. for supply to Indian industries. The end customers are Coal/Steel Industries, Oil sector, State owned Power Companies etc.

It is having wholly owned subsidiary company, Ferro Scrap Nigam Limited (FSNL) with CIN : U27102CT1989GOI005468, which was incorporated on 28th March 1979. FSNL undertakes the job of recovery and processing of scrap from slag and refuse generated during iron and steel making at Steel Plants. They offers specialised services for Dig and Haul of Blast Furnaces and Steel Melting Shop Slag at slag yards, processing of iron and steel skulls, Mill rejects and Maintenance scrap as per customer's requirement. FSNL also offers scarfing of slabs, crushing and screening of LC slag to be used in sinter plant, blast furnace, steel melting shop and rail ballast. It removes sludge and ash deposit from sludge compartments and ash ponds. They also handle and neutralise Acid Sludge in open Hearth Muck Dump. FSNL is also providing (a) Custodian service for warehouse management to the clients of MSTC Limited and (b) Valuation services for plant and machinery/scrap, movable and immovable material/ properties.

1.B Significant Accounting Policies

1.B.1 (a) Basis of preparation

The restated consolidated financial statements of the Group have been specifically prepared for inclusion in the document to be filed by the Company with the Securities and Exchange Board of India ("SEBI"), Registrar of Companies ("RoC") and Stock Exchanges in connection with the proposed Initial Public Offering ('IPO') of equity shares of the Company (referred to as the "Issue"). The Restated Consolidated Financial Information comprise of the restated consolidated statement of assets and liabilities as at September 30, 2018, March 31, 2018, March 31, 2017, March 31, 2016, the restated consolidated statement of profit and loss, the restated consolidated statement of changes in equity and restated consolidated statement of cash flows for the period ended September 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016 and accompanying restated consolidated statements of significant accounting policies and notes to restated consolidated financial information (hereinafter collectively referred to as "the Restated Consolidated Financial Information").

The restated consolidated financial information has been prepared to comply in all material respects with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2018 ("ICDR Regulations").

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be measured at fair value at the end of each reporting period by Ind ASs. The financial statements of the Group have been preapared to comply with the Indian Accounting Standards ('Ind ASs'), including the rules notified under the relevant provisions of the Companies Act 2013.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Functional Currency and Presentation Currency

The financial statements are prepared in Indian Rupees (Rs.) which is the Group's functional currency for all its operations. All financial information presented in Indian Rupees (Rs.) has been rounded to the nearest lakhs, unless otherwise stated.

Current and Non-Current Classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013 and Ind AS 1 – 'Presentation of Financial Statements'.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Use of estimates and critical judgements

The preparation of accounts in accordance with Ind ASs requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the accounts and reported amounts of income and expenses during the period.

Actual results could differ from those estimates. The most significant techniques for estimation are described in the accounting policies below. Critical accounting judgments and the key sources of estimation or uncertainty in applying the Group's accounting policies arise in relation to property, plant and equipment, current asset provisions, deferred tax, retirement benefits. The detailed accounting policies, including underlying judgments and methods of estimations for each of these items are discussed below. All of these key factors are reviewed on a continuous basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and any future periods affected.

1.B.1(b) Principles of consolidation

The consolidated financial statements relate to MSTC Ltd ('the Company') and its subsidiary company Ferro Scrap Nigam Ltd.and Joint Venture Mahindra MSTC Recycling Pvt Ltd. The consolidated financial statements have been prepared on the following basis:

A. The financial statements of the Company and its subsidiary has been combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

B. Profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full.

C. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

D. The difference between the proceeds from disposal of investment in subsidiary and the carrying amount of its assets less liabilities as on the date of disposal is recognised in the Consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.

Annexure V : Restated Consolidated Statement of Significant Accounting Policy

E. Non Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

F. Non Controlling Interest's share of net assets of consolidated subsidiary is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.

G. Investment in Joint Venture has been accounted under the equity method as per Ind AS 28 - *Investments in Associates and Joint Ventures*.

Equity method

Under the equity method, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of other comprehensive income of the investee. Dividends from joint venture are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Company and its joint venture are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments is tested for impairment in accordance with the policy.

1.B.2 Foreign currency translation

In preparing the financial statements of the Group, transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in the Statement of Profit and Loss for the period. Exchange differences arising on retranslation on non-monetary items carried at fair value are included in statement of profit and loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income.

Wherever foreign exchange fluctuations are to be borne by the customers as per agreement with them, foreign exchange gain/ loss are not recognised in the books of the Group.

1.B.3 (a) Property, plant and equipment

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the Statement of Profit and Loss as incurred. When a replacement occurs, the carrying amount of the replaced part is derecognised.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset, and is recognised in the Statement of Profit and Loss.

Annexure V : Restated Consolidated Statement of Significant Accounting Policy

Included in property, plant and equipment are loose plant and tools which are stated at cost less amounts written off related to their expected useful lives and estimated scrap value and also spares, against which impairment provisions are made where necessary to cover slow moving and obsolete items.

Capital work-in-progress is valued at cost and includes equipment in transit and the cost of fixed assets that are not ready for their intended use at the reporting date.

"Assets classified as held for sale" is under "Non-current Asset" at their carrying amount will be recovered principally through a sale transaction, rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell, except for asset such as Deferred Tax Asset, Assets arising from employee benefits, Financial Assets which are specifically excempt from this requirement. Further, where the management expects that any part of said assets is likely to be disposed off within one year on the Balance Sheet date, the same are classified as current assets.

"Assets classified as held for sale" is classified under "Non-current Asset" at their net written down value since these assets have already been retired from normal continuing operations and is held only for sale/ auction.

"Assets classified as held for sale" are presented separately from the other assets in the balance sheet. The liabilities classified as held for sale are presented separately from the other liabilities in the balance sheet.

1.B.3(b) Depreciation of property, plant and equipment

Depreciation is provided so as to write off, on a straight-line basis, the cost of property, plant and equipment to their residual value. These charges are commenced from the date the assets are available for their intended use and are spread over their estimated useful economic lives. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use.

Depreciation on assets under construction commences only when the assets are ready for their intended use.

Depreciation is provided to allocate the costs of property, plant and equipment, net of their residual values, over their useful life as specified in Schedule II of the Companies Act, 2013.

The estimated useful lives for the main categories of property, plant and equipment are:

Type of Asset	Estimated Useful life(Years)
Office Equipment	5
Vehicles	8
Furniture and Fixtures	10
Partition and Cubicles	10
Building	60
Air Conditioners	10
Computers	3
Servers	6
Plant and Machinery used for hot slang handling	5
Dozer	7
Excavators 1.2 to 5 Cum	7
Cranes	15
Magnetic Separators	15
All assets under "Plant and Machinery" except assets mentioned above	9.19
Assets with value less than Rupees Five Thousand	100 %
Solar Plant	10

1.B.3 (c) Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Computer software is amortised over its estimated useful life of 6 years (without any residual value) on a straight line basis.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Further, the management estimates that the intangible assets are having zero carrying cost at the end of its useful life i.e. zero residual value.

1.B.4 Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying amount of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. Intangible assets with an indefinite useful life are tested for impairment annually and whenever there is an indication, the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the Statement of Profit and Loss as and when the carrying amount of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately.

1.B.5 Investment in Subsidiaries and Joint venture

Investment in subsidiary and Joint venture are carried at cost. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary and joint venture, the difference between net disposal proceeds and carrying amounts are recognised in Statement of Profit and Loss.

1.B.6 Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit or loss are immediately recognised in the Statement of Profit and Loss.

a) Financial assets

I. *Financial assets at amortised cost*

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

II. *Financial assets measured at fair value through Other comprehensive income*

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognised in other comprehensive income. However, the interest income, losses & reversals, and foreign exchange gains and losses are recognised in the Statement of Profit and Loss.

III. *Financial assets measured at fair value through profit or loss*

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through profit or loss.

Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income.

Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition. For financial instruments whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the assets and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralised borrowing of the proceeds received.

b) Financial liabilities and equity instruments

Classification

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Annexure V : Restated Consolidated Statement of Significant Accounting Policy

Financial Liabilities

The Group's financial liabilities include Trade and other payables and borrowings including bank overdrafts are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize 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 counterparty.

1.B.7 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalent includes cash on hand, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, cash at bank, and bank overdraft and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

1.B.8 Inventories

Stock in trade including material-in-transit is valued at cost or estimated net realisable value whichever is less.

In case of subsidiary:

(i) Inventories other than non-moving inventories are valued at cost of estimated net realizable value whichever is less. The cost includes purchase cost and other direct expenses but exclude excise duty on such goods where the compay is eligible to take cenvat credit in accordance with rule 3(1) of the Cenvat Credit Rules 2004.

(ii) The inventory items, which have not moved for more than three years, are considered as non-moving inventories. Non-moving inventories are valued at cost reduced by ten percent of cost every year from the year 2001-02.

(iii) The scrapped/redundant stores items are valued at cost of estimated net realizable value whichever is lower.

1.B.9 Revenue recognition

Revenue is recognised on accrual basis except in the following items which are accounted on actual realization since realisibility of such items is uncertain in accordance with the provisions of the accounting standards:

i) Decrees pending for execution/contested dues and interest thereon, if any.

ii) Interest on overdue recoverables where realisability is uncertain.

iii) Liquidated damages on suppliers or contractors.

iv) Refund of Income-Tax/Sales Tax/VAT and interest thereon.

v) Dividend income is recognised when right to receive payment is established

SALES

i) High sea sales are booked on the basis of date of issuance of high sea sale letter. As regards value, sales are booked either at contracted forward exchange rates, if booked, or provisionally on the basis of FEDAI spot exchange rates prevailing on the last date of the financial year, where forward cover was not taken, which includes C&F / CIF price, usuance interest followed by final adjustment on due date of payment in subsequent financial year.

ii) In case of indigenous material, sales are accounted for on the basis of date of transport documents and as regards value, based on the value of invoices. In case of sale on door delivery basis sales are booked on sales invoice dates.

iii) In case of export, sales are accounted for on the basis of date of shipment. As regards value, sales are booked either at contracted forward exchange rates, if booked, or at the FEDAI rate on the date of shipment as per custom clearance document, followed by final adjustment on actual realisation of export proceeds.

SERVICE CHARGES

Remuneration for transaction in Marketing Department through facilitator mode and for conducting sales/procurement on behalf of Principals, by way of auctions, tenders, or any other means, are accounted for as service charges.

(a) Service charges are accounted for as income at contracted rates on:

i. Tender/Auction sale on behalf of Public Sector Undertakings, Defence and other Government Departments on issuance of sale orders / delivery orders.

ii. On satisfactory completion of e-sales.

In respect of (i) & (ii), service charges are accounted for on bid price of auction with adjustments, if any, on the basis of actual delivery by the Principals, in case service charges are payable on percentage basis.

iii. On occurrence of event, in case of service contract on event basis.

iv. In case of E -Procurement Service charges are booked, where service charges are collectable from the Principal, on completion of event.

(b) E Procurement transaction fees collected from bidders are accounted on successful conduct of event.

(c) Service charges accrued in respect of purchase as facilitator are accounted for at the contracted rate on the basis of date of bill of lading / railway receipt / lorry receipt as the case may be. For imported materials, value is ascertained either at forward cover rate or at FEDAI spot rate prevailing on the last date of the Financial Year. Final adjustment is made on actual payment. In case of indigenous materials, value is ascertained on the basis of actual payment at contracted rate.

(d) In case of subsidiary, service charges represent the income earned for processing of scrap and other items, custodian services for warehouse management and service related to valuation of assets done by the company at the rates agreed with/offered to the respective Steel Plants and other parties.

E-AUCTION REGISTRATION

E-auction Registration fees collected from buyers is considered as income of the current year if the validity of registration is upto one year. In case of life long registration, the amount so collected is distributed in five years equally.

PURCHASES

(i) Imported materials are accounted for as purchase on the basis of date of bill of lading. As regards value, purchase are booked on the basis of actual remittance and where such remittance are outstanding at the close of the year, on the basis of contracted forward exchange rates, if booked, or FEDAI spot exchange rates prevailing on the last date of the financial year, in case forward cover is not taken, as the case may be. Purchase value includes material value freight, insurance etc. and usuance interest followed by final adjustments on actual payment in subsequent financial year.

(ii) In case of indigenous materials, purchases are booked on the basis of transport documents and as regards value, based on the value of invoices.

1.B.10 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Other income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.B.11 Employee benefits

(a) *Short term benefits*

Short term employee benefits are accounted for at their undiscounted amount in the accounting period in which the services are rendered by the employees are recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

(b) *Leave encashment*

The liabilities for earned leave and commuted leave are not expected to be settled wholly within 12 month after the end of the period in which the employees render related service. They are therefore measured as the present value of expected future payments to be made inrespect of services provided by employees up to the end of the reporting period based on actuarial valuation using the projected unit credit method.

The benefits are discounted using the market yield at the end of the reporting period that have terms of approximating to the terms of related obligations. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.The facility is funded through LIC of india.

(c) *Post-employment obligation*

Defined Contribution Plan- Provident Fund

Provident Fund is administered by a Trust recognised by Income Tax Authorities and contribution to this Fund is charged to revenue. Pensioner's Benefits are secured through Employees' Pension Scheme 1995.

Defined Benefit Plan- (a) Service Gratuity

The liabilities or assets recognised in the Balance Sheet in respect of defined gratuity plan is the present value of the defined benefits obligation at the end of the reporting period less the fair value of plan assets. The defined benefits obligations are calculated annually by actuaries using projected unit credit method. The present value of defined benefits obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that are terms approximating to the terms of the related obligations.

The net interest cost is calculated by applying the discounted rate to the net balance of 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.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of defined benefit obligation resulting from amendments and curtailments are recognised immediately in profit or loss as past service cost. The Gratuity obligation is funded through Group Gratuity Life Assurance Scheme of Life Insurance Corporation of India and is administered through a separate irrevocable trust created by the Group for this purpose.

a. Post Retirement medical benefit

The Group provides post retirement healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to the retirement age and the completion of minimum service period. The expected cost of these benefits is accrued over the period of employment using the same accounting methodology as used for defined benefit plans. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income in the period in which they arise. The fund is administered through a separate trust created for this purpose.

1.B.12 Taxation

Tax expense for the year comprises current and deferred tax.

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax for the year as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted in the country where the Group operates by the end of the reporting period.

(ii) Deferred tax

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

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal income tax during the specified period.

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

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

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

1.B.13 Provisions, contingent liabilities and contingent assets

Provisions are recognised in the Balance Sheet when the Group has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. When appropriate, provisions are measured on a discounted basis.

Constructive obligation is an obligation that derives from an entity's actions whereby an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities; and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Contingent liabilities are disclosed by way of notes. These are reviewed at each Balance Sheet date and are adjusted to reflect the current estimate of management.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

1.B.14 Segment reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures. The Group undertakes trading activities, and also acts as e-commerce service provider. Based on the 'management approach' as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates Group's performance and allocates resources on an analysis of various performance indicators by operating segments. In terms of above the Group has identified Marketing and e-Commerce as its two Primary Reportable Business Segments. Revenue and identifiable operating expenses in relation to segments are categorised based on items that are individually identifiable to that segment. Rest of the items of revenue and expenses,which cannot be specifically allocated under specific segments are separately disclosed as unallocated.

1.B.15 Critical accounting estimates, assumptions and judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, and disclosures of contingent assets and liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

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 in any future periods affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in the paragraphs that follow.

(i) Useful economic lives and impairment of other assets

The estimated useful life of property, plant and equipment (PPE) and intangible asset is based on a number of factors including the effects of obsolescence, usage of the asset and other economic factors (such as known technological advances).

The Group reviews the useful life of PPE and intangibles at the end of each reporting date and any changes could affect the depreciation rates prospectively.

Annexure V : Restated Consolidated Statement of Significant Accounting Policy

The Group also reviews its property, plant and equipment for possible impairment if there are events or changes in circumstances that indicate that the carrying value of the assets may not be recoverable. In assessing the property, plant and equipment for impairment, factors leading to significant reduction in profits, such as the Group's business plans and changes in regulatory environment are taken into consideration.

(ii) *Contingencies and commitments*

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Group. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

Although there can be no assurance regarding the final outcome of the legal proceedings, the Group does not expect them to have a materially adverse impact on the Group’s financial position or profitability.

(iii) Actuarial Valuation

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend on assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(iv) Fair Value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

(v) Recognition of deferred tax assets for carried forward tax losses and unused tax credit

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilised. In addition significant judgement is required in assessing the impact of any legal or economic limits.

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Annexure VI : Notes to Restated Consolidated Financial Information | **Amount ₹ in Millions**

2 . Property, Plant and Equipment

Particulars	Freehold Buildings	Office Equipment	Office Air Conditioner	Furniture and fixtures	Office Partition & Cubicles	EDP Equipments	Plant and Equipment	Vehicles	Total Tangible Assets
Gross Block as at April 01, 2015	**33.30**	**10.00**	**3.70**	**13.00**	**10.10**	**19.40**	**524.30**	**12.20**	**626.00**
Additions	5.10	1.40	-	2.00	0.50	1.80	96.20	4.00	**111.00**
Disposals	-	0.50	-	-	0.10	2.30	5.60	0.30	**8.80**
Gross Block as at March 31, 2016	**38.40**	**10.90**	**3.70**	**15.00**	**10.50**	**18.90**	**614.90**	**15.90**	**728.20**
Additions	1.00	0.40	0.40	2.10	0.80	3.80	137.40	9.10	**155.00**
Disposals						2.00	9.00	0.40	**11.40**
Gross Block as at March 31, 2017	**39.40**	**11.30**	**4.10**	**17.10**	**11.30**	**20.70**	**743.30**	**24.60**	**871.80**
Additions	1.80	3.10	0.50	1.60		4.00	140.40	4.60	**156.00**
Disposals					2.00	0.50	2.30	0.10	**4.90**
Gross Block as at March 31, 2018	**41.20**	**14.40**	**4.60**	**18.70**	**9.30**	**24.20**	**881.40**	**29.10**	**1,022.90**
Additions	3.85	3.42	0.00	0.12	0.00	0.83	82.00	1.99	**92.21**
Disposals	0.00	0.36	0.45	0.29	0.00	0.67	3.99	0.04	**5.80**
Gross Block as at September 30, 2018	**45.05**	**17.46**	**4.15**	**18.53**	**9.30**	**24.36**	**959.41**	**31.05**	**1,109.31**
Depreciation as at April 01, 2015	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Charge for the year	2.10	3.00	1.20	5.00	4.70	6.90	90.70	2.20	**115.80**
Disposals	0.00	0.50	0.00	0.00	0.10	2.30	0.00	0.20	**3.10**
Depreciation as at March 31, 2016	**2.10**	**2.50**	**1.20**	**5.00**	**4.60**	**4.60**	**90.70**	**2.00**	**112.70**
Charge for the year	2.80	2.40	0.90	3.60	2.20	7.10	99.40	2.60	**121.00**
Disposals						2.10	1.50	0.20	**3.80**
Depreciation as at March 31, 2017	**4.90**	**4.90**	**2.10**	**8.60**	**6.80**	**9.60**	**188.60**	**4.40**	**229.90**
Charge for the year	3.20	2.30	0.50	1.70	0.30	6.30	100.80	3.20	**118.30**
Disposals					1.50	0.40	0.50		**2.40**
Depreciation as at March 31, 2018	**8.10**	**7.20**	**2.60**	**10.30**	**5.60**	**15.50**	**288.90**	**7.60**	**345.80**
Charge for the year	**1.33**	**1.28**	**0.31**	**0.64**	**0.16**	**1.42**	**53.85**	**1.89**	**60.87**
Disposals	**0.00**	**0.35**	**0.45**	**0.29**	**0.00**	**0.47**	**0.00**	**0.00**	**1.56**
Depreciation as at September 30, 2018	**9.43**	**8.13**	**2.46**	**10.65**	**5.76**	**16.45**	**342.75**	**9.49**	**405.11**
Net book value as at April 01, 2015	**33.30**	**10.00**	**3.70**	**13.00**	**10.10**	**19.40**	**524.30**	**12.20**	**626.00**
Net book value as at March 31, 2016	**36.30**	**8.40**	**2.50**	**10.00**	**5.90**	**14.30**	**524.20**	**13.90**	**615.50**
Net book value as at March 31, 2017	**34.50**	**6.40**	**2.00**	**8.50**	**4.50**	**11.10**	**554.70**	**20.20**	**641.90**
Net book value as at March 31, 2018	**33.10**	**7.20**	**2.00**	**8.40**	**3.70**	**8.70**	**592.50**	**21.50**	**677.10**
Net book value as at September 30, 2018	**35.62**	**9.33**	**1.69**	**7.88**	**3.54**	**7.91**	**616.66**	**21.56**	**704.20**

Particulars	Capital Work in Progress	Computer Software	Intangible Assests under Development	Total Intangible Assets including intangible under development
Gross Block as at April 01, 2015	**12.40**	**0.50**	**6.70**	**7.20**
Additions	29.00	0.90	-	**0.90**
Disposals	-	-	6.70	6.70
Gross Block as at March 31, 2016	**41.40**	**1.40**	**0.00**	**1.40**
Additions	**23.20**	**14.70**	**0.90**	**15.60**
Disposals	**42.80**	**0.00**	**0.00**	**0.00**
Gross Block as at April 01, 2017	**21.80**	**16.10**	**0.90**	**17.00**
Additions	**104.40**	**0.50**	**2.00**	**2.50**
Disposals	**21.80**	**0.00**	**0.00**	**0.00**
Gross Block as at March 31, 2018	**104.40**	**16.60**	**2.90**	**19.50**
Additions	**100.83**	**0.07**	**0.00**	**0.07**
Disposals	**35.83**	**0.00**	**0.00**	**0.00**
Gross Block as at September 30, 2018	**169.39**	**16.67**	**2.90**	**19.57**

Depreciation as at April 01, 2015	**0.00**	**0.00**	**0.00**	**0.00**
Charge for the year	-	0.30	-	**0.30**
Disposals	-	-	-	**0.00**
Depreciation as at March 31, 2016	**0.00**	**0.30**	**0.00**	**0.30**
Charge for the year	**0.00**	**0.30**	**0.00**	**0.30**
Disposals	**0.00**	**0.00**	**0.00**	**0.00**
Depreciation as at April 01, 2017	**0.00**	**0.60**	**0.00**	**0.60**
Charge for the year	**0.00**	**5.60**	**0.00**	**5.60**
Disposals	**0.00**	**0.00**	**0.00**	**0.00**
Depreciation as at March 31, 2018	**0.00**	**6.20**	**0.00**	**6.20**
Charge for the year	**0.00**	**2.87**	**0.00**	**2.87**
Disposals	**0.00**	**0.00**	**0.00**	**0.00**
Depreciation as at September 30, 2018	**0.00**	**9.07**	**0.00**	**9.07**

Net book value as at April 01, 2015	**12.40**	**0.50**	**6.70**	**7.20**
Net book value as at March 31, 2016	**41.40**	**1.10**	**0.00**	**1.10**
Net book value as at March 31, 2017	**21.80**	**15.50**	**0.90**	**16.40**
Net book value as at March 31, 2018	**104.40**	**10.40**	**2.90**	**13.30**
Net book value as at September 30, 2018	**169.39**	**7.60**	**2.90**	**10.50**

All Freehold buildings of Holding Company are under attachment by the order of DRT , Mumbai.

Amount ₹ in Millions

3 . **Investment in Unquoted Equity Shares, fully paid up- carried at cost.**

Particulars	No. of Shares				Amount(₹ in Millions)			
	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Investement in 50:50 Joint Venture Company								
Mahindra MSTC Recycling Private Limited (Face Value ₹10/- each)	1,06,00,000	1,06,00,000	31,00,000	Nil	106.00	106.00	31.00	Nil

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Opening Balance of Investment Value (₹)	88.00	26.30	31.00	Nil
Investment During the Year (₹)	-	75.00	-	-
Decrease in Value due to Current Period Loss in JV shown in P/L	(9.85)	(13.10)	(4.70)	-
Decrease in Value due to Current Period Loss in JV Shown in OCI	-	(0.20)	-	
Closing Balance of Investment Value (₹)	78.15	88.00	26.30	-

4 . Other financial assets (Non Current)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(a) Security deposits	10.53	10.90	12.30	17.40
(b) Other loans and advances				
Loans to employees	45.94	48.70	55.80	56.00
(c) Interest accrued on loans to employees	0.48	0.60	0.60	0.70
(d) Term Deposits with original maturity of more than 12 months	198.45	495.40	736.20	506.20
Net other financial assets	**255.40**	**555.60**	**804.90**	**580.30**

4.1 In case of company, the 4(d) deposit includes ₹ 99.45 Millions for the period ended 30th Sept 2018 , in F.Y 2017-18 ₹ 198.40 Millions , in F.Y. 2016-17 ₹ 582.66 and in F.Y 2015-16 ₹ 234.40 pledged with Banks against Bank Guarantee & Overdraft facility.

5 . Non-Current tax assets

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Advance payment of Taxes	7,009.42	6,782.10	6,315.50	336.70
Less: Provision for Taxation	6,615.31	6,210.56	6,163.80	246.10
Net	394.11	571.54	151.70	90.60
Non-Current tax assets	**394.11**	**571.54**	**151.70**	**90.60**

Amount ₹ in Millions

6 . Other assets (Non Current)

Particulars (Unsecured, considered good)	**As at September 30, 2018**	**As at March 31, 2018**	**As at March 31, 2017**	**As at March 31, 2016**
(a) Advance with public bodies				
(a) Customs, Excise, Sales Tax ,Port Trusts etc.	29.56	29.60	30.80	56.00
(b) Prepaid Lease Payment Cost #	71.96	72.30	-	0.10
(c) Other loans and advances				
(a) Prepaid expenses	0.47	0.50	0.90	1.20
(b) Others	1.14	0.10	1.10	1.00
(d) Post Retirement benefit assets	-	-	6.50	
(e) Advance for Building Construction	63.63	1.50	-	
Total Other assets	**166.76**	**104.00**	**39.30**	**58.30**

6.1 # The land on which the plant and building of the subsidiary company are situated at Rourkela, Burnpur, Bhilai, Bokaro Vizag, Durgapur & Duburi are neither freehold nor leasehold. The group has acquired right of free use from landholders as a part of service agreement. The group has however, acquired leasehold land from SAIl - BSP on perpetual lease of 33 years w.e.f 29th December 1988 on which the Registered Office Building of the subsidiary company has been constructed.

Annexure VI : Notes to Restated Consolidated Financial Information Amount ₹ in Millions

7 . Deferred Tax Assests (Net)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Deferred tax (liabilities) / assets:				
Tax effect of items constituting deferred tax liabilities				
On difference between book balance and tax balance of Property, Plant and Equipment & Intangible assets and Others	(28.50)	(27.80)	(21.60)	(17.10)
Tax effect of items constituting deferred tax liabilities	**(28.50)**	**(27.80)**	**(21.60)**	**(17.10)**
Tax effect of items constituting deferred tax assets				
Allowance for doubtful debts / advances	1,858.80	1,858.80	2,950.90	2,927.40
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	220.44	246.60	198.00	203.20
On difference between book balance and tax balance of Property, Plant and Equipment	0.51	0.70	-	-
MAT credit Entitlement	329.47	-	-	-
Provision for claim payable to vendor against escalation claim	8.30	8.10	7.70	7.10
Provision for Interest on Service tax	1.33	1.30	1.30	1.30
Provision for Demand on Compensation	-	-	2.50	2.30
Unabsorbed business losses	232.38	704.96	-	-
Through Other Comprehensive Income	14.55	23.10	31.70	-
Tax effect of items constituting deferred tax assets	**2,665.78**	**2,843.56**	**3,192.10**	**3,141.30**
Deferred tax (liabilities) / assets (net)	**2,637.28**	**2,815.76**	**3,170.50**	**3,124.20**

8A . Inventories

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(a) Stock in transit	-	-	707.40	152.90
(b) Stores and Spares parts including loose tools	49.52	32.40	25.20	25.81
(c) Stock of Non-Moving inventory	15.85	16.30	21.10	22.99
(d) Stock of Obsolete Inventory	-	-	2.30	2.34
(e) Stores and Spares - Awaiting Disposal	2.60	2.60	0.40	0.40
(f) Inventory Shortage-Pending Adjustment	0.01	-	-	2.43
(g) Goods in Transit	-	0.10	0.10	0.12
(h) Stock of Printing & Stationary	0.96	1.00	0.90	1.08
(I) Less: Provision				
(1) for stock of non-moving	9.15	9.40	12.00	12.42
(2) for stores & spares - awaiting disposal	1.40	1.40	-	-
(3) for inventory shortage	0.01	-	-	2.42
(4) for obsolete inventory	-	-	1.50	1.53
Total Inventories	**58.38**	**41.60**	**743.90**	**191.70**

8B . Changes in Stock in Trade

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Opening Stock	-	707.40	152.90	1,468.30
Closing Stock	-	-	707.40	152.90
Changes in stock of finished goods, work-in-progress and stock-in-trade	**-**	**707.40**	**(554.50)**	**1,315.40**

Amount ₹ in Millions

9 . Trade receivables (Current)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Trade receivables				
(a) Secured, considered good	29,647.61	34,570.81	31,411.56	21,307.24
(a) Unsecured, considered good	2,233.88	1,596.80	3,186.58	4,508.70
(b) Unsecured, considered doubtful	10,249.58	8,963.91	6,825.90	7,351.30
Less: Allowance for Doubtful trade receivables (expected credit loss allowance)	10,249.58	8,963.91	6,825.90	7,351.30
Total	**31,881.49**	**36,167.61**	**34,598.14**	**25,815.94**

9.1 Trade Receivables

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment				
Secured, Considered good	6,218.11	8,186.91	4,241.06	6,075.04
Unsecured, Considered good	446.42	-	1,812.88	-
Unsecured, Considered Doubtful	10,076.85	8,963.91	6,825.90	7,351.30
Less: Provision for doubtful debts	10,076.85	8,963.91	6,825.90	7,351.30
	6,664.53	**8,186.91**	**6,053.94**	**6,075.04**
Trade Receivables outstanding for a period less than six months from the date they are due for payment				
Secured, Considered good	23,429.50	26,383.90	27,170.50	15,232.20
Unsecured, Considered good	1,787.46	1,596.80	1,373.70	4,508.70
Unsecured, Considered Doubtful	172.73	-	-	-
Less: Provision for doubtful debts	172.73	-	-	-
	25,216.96	**27,980.70**	**28,544.20**	**19,740.90**
Total	**31,881.49**	**36,167.61**	**34,598.14**	**25,815.94**

9.2: Trade Receivables include an amount of ₹1478.20 Millions on account of export of gold jewellery during 2008-09. The said receivables were purchased by Standard Chartered Bank (SCB) under a Receivable Purchase Agreement . As per the said agreement, SCB would purchase the bills raised by MSTC on foreign buyers and pay 95% of the amount to MSTC and foreign buyers would be paying against the bills directly to SCB on respective due dates of the bills. The said export transactions were also insured by SCB with ICICI Lombard General Insurance Company. On non receipt of proceeds from the foreign buyers, SCB claimed the amount from the insurance company. The Insurance company repudiated the claim of SCB. Thereafter SCB converted the receivables into debt and filed a case in Debt Recovery Tribunal, Mumbai. MSTC has been contesting the case in DRT and other forums against the said claim of SCB. SCB has also filed a suit against the insurance company for the said amount of unrealized dues which is yet to be disposed off. Pending disposal of the cases, MSTC has been showing the amount as receivables without adjusting the same against the amount paid by SCB to MSTC against purchase of the said receivables(export bills) which is being shown in books separately as Borrowing(Current) vide Note No. 22.

9.3: Trade receivables are generally secured either by way of stocks pledged by the customers with the Company or Bank Gurantees or by liability where there is back to back arrangement with the associate suppliers. In case there is a significant depletion in realizable value of such pledged stock against the book value of the corresponding receivables, the differential amount has been shown under 'Unsecured'.

9.4: Trade Receivable includes Rs. 1123.80 Millions (Previous year ending 31.03.18: Rs. 1148.43 Millions) due from M/s Jai Balaji Industries Ltd. for procuring and supply of materials. Entire amount of present outstanding is overdue for a period of more than three years. The arbitration award is in the favour of the Company. As per the Arbitration award, MSTC will procure raw materials for the party against advance payment only. During the current period i.e. from 1st April 2018 to 30th September 2018, JBIL has paid Rs. 257.50 Million. Out of the payment, 10 % has been adjusted against old receivables and for balance 90% fresh procurement has been made by MSTC. However, the party is allowed to lift, out of total procurement of 90%, old materials to the tune of 45% and new materials to the tune of 45%, thereby replacing the old materials with the new one and in the process improving the quality of the security. The market price of the pledged stock as per the last concluded volumetric assessment is Rs. 1318.25 Millions., which is much higher than the outstanding as on date. We have also started process for risk sale of some of their stock. In view of the improved market condition, regular payment by the party and the demand of their finished products, no provision has been considered necessary.

9.5: Trade Receivables include ₹ 18638.98 Million ,against business done in facilitator mode(net of provision) , in F.Y2017-18 ₹ 25750.19 Million , in F.Y 2016-17 ₹ 24812.40 Million and in F.Y 2015-16 ₹ 12537.60 Million.

10 . Cash and Cash Equivalents

Amount ₹ in Millions

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(a) Cash in hand	0.20	0.30	0.20	0.47
(b) Balances with banks				
(1) In Current Account	1,508.46	1,758.30	902.20	2,570.68
(2) In Deposit Account	-	-	-	500.00
Total	**1,508.66**	**1,758.60**	**902.40**	**3,071.15**

11 . Bank balances other than Cash & cash equivalents

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(a) Earmarked Balances with banks				
(i) In Unclaimed dividend account	270.31	9.90	8.60	6.10
(ii) Deposits with original maturity of more than 3 months but less than 12 months	3,758.41	3,779.50	3,977.40	6,999.01
Total	**4,028.72**	**3,789.40**	**3,986.00**	**7,005.11**

11.1 The a(ii) deposits include ₹ 2,870.93 Million pledged with banks against over draft facility in F.Y. 2017-18 ₹ 3,182.80 Million, in F.Y 2016-17 ₹ 3611.70 Million and in F.Y 2015-16 ₹ 5520.00 Million . Margin against guarantee ₹ 98.581 Million , in F.Y 2017-18 ₹ 95.5 Million , in F.Y 2016-17 ₹ 95.30 Million and in F.Y 2015-16 ₹ 90.30 Million.

11.2 In case of subsidiary, the a(ii) deposits includes ₹ 364.75 Millions , in F.Y 2017-18 ₹ 384.41 Millions, in F.Y 2016-17 ₹ 0.23 Million , and in F.Y 2015-16 ₹ 346.71 Million pledged with Indian Bank, Andhra Bank and Bank of Baroda against Bank Guarantee and Overdraft facility.

Amount ₹ in Millions

12 . Other financial assets (Current)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(a) Security deposits	348.93	352.60	513.60	757.64
(b) Other loans and advances				
(1) Loans to employees	5.51	6.90	8.10	7.54
(2) Advances to employees	7.13	5.40	5.50	4.94
(3) Receivable from vendors / contractors / third party	8.15	5.40	97.80	-
(4) Claims Receivable	-	-	4,508.10	4,508.14
(3) Other Advances	3.36	18.50	1.40	1.51
(c) Interest accrued on				
(1) Term deposits	108.35	128.80	69.70	51.34
(2) Loans to employees	0.08	0.15	0.10	0.24
	481.51	**517.75**	**5,204.30**	**5,331.35**
Less: Allowances for bad & doubtful other financial assets	-	-	4,508.10	4,508.10
Other financial assets	**481.51**	**517.75**	**696.20**	**823.25**
Classification of other financial assets (Current):				
Unsecured, considered good	481.51	517.75	696.20	823.25
Doubtful	-	-	4,508.10	4,508.10
Less: Allowance for bad and doubtful financial assets	-	-	4,508.10	4,508.10
Net Loans and advances	**481.51**	**517.75**	**696.20**	**823.25**

13 .Other assets (Current)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(a) Advance with public bodies				
(1) Customs, Excise, Sales Tax ,Port Trusts etc.	124.62	106.10	48.00	132.74
(b) Prepaid Lease Payments Cost	0.76	0.70	0.00	
(d) Other loans and advances				
(a) Advances to employees	23.62	14.40	15.30	13.74
(b) Ex-employees (employer's PF contribution)	-	-	4.50	-
(c) Advances to suppliers and service providers	9.28	5.20	5.10	9.74
(d) Prepaid expenses	1.01	13.90	14.90	16.74
(e) Others	3.25	3.30	84.00	3.24
Total Other assets	**162.54**	**143.60**	**171.80**	**176.20**
Classification of other assets:				
Secured, considered good	9.82	8.40	7.40	-
Unsecured, considered good	152.72	135.20	164.40	176.20
Doubtful	-	-	-	-
Gross Loans and advances	**162.54**	**143.60**	**171.80**	**176.20**

Amount ₹ in Millions

14 . Share Capital

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Authorised:				
5,00,00,000 Ordinary Shares of ₹10 each	500.00	500.00	500.00	500.00
	500.00	**500.00**	**500.00**	**500.00**
Issued, Subscribed and fully paid up :				
352,00,000 Ordinary Shares of ₹10 each	352.00	352.00	176.00	88.00
	352.00	**352.00**	**176.00**	**88.00**

14(a)(i) Statement of Reconciliation of Shares Outstanding

Particulars	As at September 30, 2018			As at March 31, 2018			As at March 31, 2017			As at 31 March 2016		
	Number	Face Value (Rs.)	Amount (Rs. Millions)	Number	Face Value (Rs.)	Amount (Rs. Millions)	Number	Face Value (Rs.)	Amount (Rs. Millions)	Number	Face Value (Rs.)	Amount (Rs. Millions)
Opening Shares Outstanding	**3,52,00,000**	**10**	**352.00**	**1,76,00,000**	**10**	**176.00**	**88,00,000**	**10**	**88.00**	**88,00,000**	**10**	**88.00**
Add:												
Issue of Bonus Shares				**1,76,00,000**	**10**	**176.00**	**88,00,000**	**10**	**88.00**			
Closing Shares Outstanding	**3,52,00,000**	**10**	**352.00**	**3,52,00,000**	**10**	**352.00**	**1,76,00,000**	**10**	**176.00**	**88,00,000**	**10**	**88.00**

Rights, preferences and restrictions attached to equity shares.

14(a)(ii)The Company has only one class of ordinary shares ('Equity Shares') having a par value of ₹10 each. Each holder of ordinary shares ('Equity Shareholders') is entitled to one vote per share and are entitled to dividend and to participate in surplus, if any, in the event of winding up.

14(a)(iii) 66,00,000 bonus shares have been issued during F.Y 2012-13 in the ratio of 3:1

14(a)(iv) : 88,00,000 bonus shares have been issued during F.Y 2016-17 in the ratio of 1:1

14(a)(v) : 1,76,00,000 bonus shares have been issued during F.Y 2017-18 in the ratio of 1:1

14(a)(vi) : Details of shareholders holding more than 5% of share holding

Name of the Shareholder	As at September 30, 2018		As at 31 March 2018		As at 31 March 2017		As at 31 March 2016	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding	No of shares held	% of holding
President of India including his nominees	31625600	89.85%	31625600	89.85%	15812800	89.85%	7906400	89.85%

Annexure VI : Notes to Restated Consolidated Financial Information Amount ₹ in Millions

15 .Other Equity

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Capital Reserve				
Opening balance	341.60	341.60	341.60	341.60
Add: Transfer from Retained Earnings	-	-	-	-
Closing Balance	341.60	341.60	341.60	341.60
General Reserve				
Opening balance	6,482.50	6,052.60	5,903.70	5,374.70
Add: Transfer from Retained Earnings	0.00	429.90	148.90	528.20
Add: Excess provision for DDT written back	-	-	-	0.80
Closing Balance	6,482.50	6,482.50	6,052.60	5,903.70
Retained Earnings				
Opening balance	(3,514.51)	(2,509.90)	(3,186.60)	232.40
Add: Profit/(Loss) for the period	(158.84)	(64.81)	1,391.50	(2,471.00)
Other Comprehensive income for the year	36.91	(33.10)	(57.40)	(187.40)
Less: Final Dividend: FY 14-15	-	-	-	182.20
Less: Final Dividend: FY 15-16	-	-	180.40	-
Less: Final Dividend: FY 16-17	-	249.90	-	-
Less: Final Dividend: FY 17-18	260.48	-	-	-
Less: Interim Dividend FY 16-17	-	-	167.20	-
Less: Dividend Distribution Tax: FY 14-15 (on final)	-	-	-	50.20
Less: Dividend Distribution Tax: FY 15-16 (on final)	-	-	36.80	-
Less: Dividend Distribution Tax: FY 16-17 (on final)	-	38.50	-	-
Less: Dividend Distribution Tax: FY 16-17 (on interim)	-	-	36.10	-
Less: Dividend Distribution Tax in Subsidiary : FY 17-18 (on interim)	-	12.40	-	-
Less: Issue of Bonus Shares	-	176.00	88.00	-
Less: Transfer to General Reserve	-	429.90	148.90	528.20
Closing Balance	(3,896.92)	(3,514.51)	(2,509.90)	(3,186.60)
Total Other Equity	**2,927.18**	**3,309.59**	**3,884.30**	**3,058.70**

16 . Trade Receivables (Non Current)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(a) Trade Receivables				
(1) Unsecured, considered good	-	4.40	0.50	0.20
Total Trade Receivables	**0.00**	**4.40**	**0.50**	**0.20**

17 .Trade payables (Non Current)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
# Creditors for supplies and services				
- Dues to micro and small enterprises	-	-	-	-
- Others	2.64	2.64	2.64	2.64
Total trade payables	**2.64**	**2.64**	**2.64**	**2.64**

MSTC LIMITED

Annexure VI : Notes to Restated Consolidated Financial Information — **Amount ₹** in Millions

18 . Other financial liabilities (Non Current)

Particulars	**As at September 30, 2018**	**As at March 31, 2018**	**As at March 31, 2017**	**As at March 31, 2016**
Liability under EFBS Scheme	8.53	9.40	6.80	8.40
Total other financial liabilities	**8.53**	**9.40**	**6.80**	**8.40**

19 - Provisions (Non Current)

Particulars	**As at September 30, 2018**	**As at March 31, 2018**	**As at March 31, 2017**	**As at March 31, 2016**
(a) Provision for employee benefits				
(1) Defined benefit Obligations				
(i) Employees Family Benefit Scheme	58.18	61.20	49.60	28.10
(ii) Gratuity	38.74	285.60	40.10	-
(2) Retirement Benefit Obligations				
(i) Post Retirement Medical Benefit	208.17	242.90	276.70	186.90
(ii) Contributory Post Retirement Medical Benefit	16.34	16.70	22.20	19.50
(iii) Employees Settlement Benefit Scheme	3.29	3.60	3.80	3.70
(3) Other employee benefits				
(i) Leave Encashment Benefit	216.15	255.10	233.40	193.70
(ii) Long Service Awards	0.53	0.24	0.20	0.30
(b) Other Provisions				
Claim Payable to vendor for escalation claim	28.51	28.00	26.90	25.80
Total Provisions	**569.91**	**893.34**	**652.90**	**458.00**

20 . Other liabilities (Non Current)

Amount ₹ in Millions

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(i) Advance from customers	64.39	57.70	40.80	36.80
(ii) Others	15.99	15.99	16.00	25.90
Total Other liabilities	**80.38**	**73.69**	**56.80**	**62.70**

21 - Borrowings (Non Current)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Secured Borrowings				
Repayable on Demand from Bank				
House Building Loan from SBI	33.41	-	-	-
Total	**33.41**	**0.00**	**0.00**	**0.00**

The amount represents the loan obtained from State Bank of India for the construction of Office Building at Newtown, Rajarhat kolkata. Out of the total sanctioned amount of Rs 300 Million Rs 60.76 Million has been disbursed on 29/09/2018. The amount is secured by way of mortage of the proposed office building. The loan is repayable is 24 Quaterly EMI bearing Interest @ 8.75% p.a. , commencing from 30th June 2019 and last installment falling due on 31st March 2025. Interest is computed on daily balance method and is payable on monthly rest basis from the date of disbursement. Prepayment charges as applicable shall be payable in case of prepayment of Term loan installments.

22 . Borrowings (Current)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
A. Secured Borrowings				
(a) Repayable on Demand From Banks				
(i) Working Capital Demand Loans#	1,128.38	4,186.00	3,155.70	938.60
(ii) Overdraft against lien on FDR*	396.44	2,039.60	1,291.60	2,158.51
(iii) House Building Loan from SBI (Refer Note No. 21)	25.00	-	-	-
Total Secured Borrowings	**1,549.82**	**6,225.60**	**4,447.30**	**3,097.11**
B. Unsecured Borrowings				
(a) Repayable on Demand				
From Banks	1,436.20	1,436.20	2,436.20	3,436.20
Total Unsecured Borrowings	**1,436.20**	**1,436.20**	**2,436.20**	**3,436.20**
Total Borrowings	**2,986.02**	**7,661.80**	**6,883.50**	**6,533.31**

a) The above secured borrowings includes Loan from Indian Overseas Bank (IOB) amounting to ₹13.8 Million : (lying since 19.9.2011)
This amount represents legal fees paid by the bank in defending their claims to which the Company has lodged its protest with the Bank. MSTC has filed a case in Hon'ble High Court of Calcutta against IOB for ₹ 365.6 Million (which includes ₹ 279.8 Million towards debit of LC value & ₹ 85.8 Million as debit towards legal expenses).

b) The above unsecured borrowings represents amount of ₹1436.20 Millions on account of payment by Standard Chartered Bank(SCB) to MSTC towards purchase of exports bills for gold jewllery during 2008-09, under a Receivable Purchase Agreement. Under the said agreement SCB would be paying 95% of the value of export bills to MSTC and foreign buyers would be paying for the bill directly to SCB on respective due dates of the bills. The same transactions were covered by SCB through an insurance policy with ICICI Lombard General Insurance Company. On non receipt of proceeds from foreign buyers, SCB submitted claims with the insurance company.The Insurance company repudiated the claim of SCB. There after , SCB converted the receivables into loan, claimed the amount from MSTC and filed a case in DRT, Mumbai in 2012. Subsequently SCB also filed a suit in Bombay High Court against the insurance company which is yet to be disposed off. MSTC has been contesting the claim of SCB in DRT and other forums. Pending disposal of the cases, MSTC has shown the amount simultaneously as Borrowing and Receivables under Note No 9 for better presentation.
Appropriate disclosure has been made as contingent liabilities for the interest claimed by SCB on the above mentioned amount of claim as per IndAS 37.

Secured against Current Assets .

* Secured by lien on FDR current year ₹ 2,870.93 Million ,2017-18 ₹ 3,182.80 Million , 2016-17 ₹ 3611.70 Million & 2015-16 ₹ 5520.00 Million.

23 . Trade payables (Current)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(1) Creditors for supplies and services				
- Dues to micro and small enterprises	-	-	-	-
- Others #	21,408.68	25,473.10	25,303.10	21,506.00
- Accrued wages and salaries*	492.62	565.10	293.70	225.70
Total trade payables	**21,901.30**	**26,038.20**	**25,596.80**	**21,731.70**

*Includes ₹ 170.26 Millions , in F.Y 2017-18 ₹158.2 Millions, in F.Y 2016-17 ₹ 132.20 Million and in F.Y 2015-16 ₹ 110.80 Million towards provision for pension benefit of employees,and ₹148.3 Millions (previous years ₹107.7 Millions) towards wage revision of the employees due from 01.01.2017.

Trade Payable includes ₹ 15629.51 Million backed by Letter of credit , in 2017-18 ₹ 19921.20, in F.Y 2016-17 ₹ 20933.28 and in F.Y 15-16 ₹ 14530.65.

Amount ₹ in Millions

24 . Other financial liabilities (Current)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(a) Interest payable				
(i) Interest accrued but not due on borrowings	788.90	788.90	788.90	788.90
(ii) Interest accrued and due on borrowings	0.00	0.70	1.00	-
(b) Unclaimed dividends	270.31	9.90	8.60	6.10
(c) Creditors for other liabilities				
(1) Security deposits/EMD	7,134.29	3,888.10	6,048.04	7,668.80
(2) Deposits received from customers	4,925.58	3,846.30	1,244.44	348.60
(3) Deposit under EFBS	12.76	13.20	7.40	7.40
(4) Payable under EFBS Deposit schemes	2.95	3.10	2.20	2.20
(5) Others	12.05	6.70	4.72	5.40
Total other financial liabilities	**13,146.84**	**8,556.90**	**8,105.30**	**8,827.40**

25 . Provisions (Current)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(a) Provision for employee benefits				
(1) Defined benefit Obligations				
(i) Employee Family Benefit Scheme	14.27	15.50	11.20	8.50
(2) Retirement Benefit Obligations				
(i) Post Retirement Medical Benefit	3.37	5.70	5.00	5.70
(ii) Contributory Post Retirement Medical Benefit	0.86	0.70	0.50	0.30
(iii) Employees Settlement Benefit Scheme	0.37	0.30	0.30	0.30
(3) Other employee benefits				
(i) Leave Encashment Benefit	18.98	14.20	9.40	9.70
(ii) Long Service Awards	0.19	0.10	0.20	0.20
(iii) Wage Revision	131.49	94.30	355.20	258.00
(iv) Additional Resource Generation Scheme payable to Non-executives	6.55	6.50	7.50	8.10
(v) Prerformance Related Pay	-	14.20	27.00	20.30
For 2016-17	12.58	-	-	-
For 2017-18	1.61	-	-	-
(vi) Gratuity Payable	-	-	-	223.60
(vii) Pension Scheme	51.71	44.30	29.10	61.70
(b) Other Provisions*	16.92	16.90	22.60	25.50
Total Provisions	**258.90**	**212.70**	**468.00**	**621.90**

* Other Provisions includes accident claim, demand raised by MVI, etc. in case of subsidiary company.

26 . Other liabilities (Current)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(i) Statutory Dues				
(a) Sales tax and VAT payable	-	-	25.10	69.70
(b) Service Tax & GST payable	225.29	136.00	60.00	54.40
(c) Tax deducted and collected at source	19.34	77.00	38.70	47.10
(d) Provident Fund and Pension	16.84	20.80	13.90	13.60
(e) Others	0.45	0.20	3.00	2.00
(ii) Advance from customers	34.80	31.80	23.70	21.80
Total Other liabilities	**296.72**	**265.80**	**164.40**	**208.60**

27 - Tax Liability

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Provision for tax	-	-	-	5,337.30
Less: Advance Tax	-	-	-	5,317.70
Net Tax Liability	-	-	-	19.60
Total Other liabilities	**0.00**	**0.00**	**0.00**	**19.60**

28 . Assets classified as held for sale

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(a) Property, Plant and Equipment	29.19	25.90	26.40	26.80
(b) Liabilities associated with asset held for sale	2.45	2.50	0.70	0.80

(1) Asset classified as held for sale is classified under "Current Assets" at their written down value since these assets have already been retired from normal continuing operations and is held only for sale / auction. Further, where management expects that any part of the said assets is likely to be disposed off written off within one year on the Balance Sheet date, the same are classified as current assets.

(2) The material value of asset classified as held for sale deposited by the vendor has been covered under liabilities associated with asset held for sale till the lifting of material.

Annexure VI : Notes to Restated Consolidated Financial Information Amount ₹ in Millions

29 . Revenue from operations

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(a) Sale of Goods	10,952.14	15,652.40	11,955.00	26,948.00
(b) Service Charges	1,425.85	2,756.20	2,028.00	1,519.20
(c) Other Operating Revenues	647.52	1,054.00	303.90	448.30
(d) Processing of scrap & other items	1,742.36	3,171.00	3,086.00	3,316.00
(e) Custodian Services for Warehouse Management	0.00	18.30	15.70	20.10
(f) Service related to valuation of assets	1.25	2.10	3.60	-
Total Revenue from Operations	**14,769.12**	**22,654.00**	**17,392.20**	**32,251.60**

(a) During the year, an amount of ₹28.45 Millions in F.Y. 2017-18 ₹60.80 Millions , in F.Y. 2016-17 ₹ 34.60 and in F.Y 2015-16 ₹ 36.90 Million was collected towards E-auction Registration. Out of total collection of current year, an amount of ₹ 25.62 Millions till Sept 2018 , F.Y. 2017-18 ₹48.70 Million , F.Y. 2016-17 ₹ 27.60 Million and in F.Y. 2015-16 ₹ 29.60 Million has been kept in liabilities to be distributed in subsequent four years, since related registration is valid for life long. Accumulated undistributed balance standing as on 30.09.2018 is ₹ 99.19 Millions , as on 31.03.2018 balance is ₹89.50 Millions , as on 31.03.2017 balance is ₹ 64.50 Million and as on 31.03.2016 balance is ₹ 58.60 Million. Balance amount for which registration is valid upto one year is accounted for as income during the current year.

(b) Other Operating Revenues also include Interest from customers₹ 605.18 Millions in current year , in F.Y . 2017-18₹ 967.3 Millions , in F.Y 2016-17 ₹ 242.40 Million and in F.Y 2015-16 ₹ 249.30 Million.

(c) Tax deducted at source on Service Charge and Interest income amounts to ₹ 80.71 Millions in current year , in F.Y 2017-18 ₹ 180.60 Millions , in F.Y 2016-17 ₹ 212.90 Million and in F.Y 2015-16 ₹ 175.60 Million.

30 . Other income

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(a) Interest income				
(1) Interest on FDR	134.92	267.30	440.10	713.90
(2) Interest on Employee Advances	1.71	3.90	4.10	3.90
(b) Liability written back	0.00	281.70	0.00	71.10
(c) Provision no longer required written back	0.63	4,718.20	890.90	31.50
(d) Sale of Sub-assemblies	-	-	1.80	0.20
(e) Profit on Sale of Assets	0.22	0.50	0.60	3.50
(f) Liquidated damages and other recoveries	0.85	2.00	2.00	0.90
(g) Miscellaneous income	8.05	3.90	30.30	1.40
Total Other Income	**146.38**	**5,277.50**	**1,369.80**	**826.40**

30.1 Tax deducted at source from interest on bank deposits amounted to ₹ 9.45 Millions , in F.Y. 2017-18 ₹ 18.90 Millions , in F.Y 2016-17 ₹ 34.50 Million and in F.Y 2015-16 ₹ 57.40 Million).

Annexure VI : Notes to Restated Consolidated Financial Information Amount ₹ in Millions

31 . Purchases of Stock-in-Trade

Particulars		As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(a)	Purchases of Stock-in-Trade	10,834.97	14,789.60	12,424.70	25,538.40
(b)	Lancing Tubes	1.41	4.10	4.30	5.90
(c)	Oxygen & Acetylene	11.93	36.20	47.00	45.50
(d)	Lubricants	7.18	14.90	15.10	16.40
(e)	Diesel & Gasolene	146.17	233.40	210.60	172.90
(f)	Stores & Spare Parts	61.34	103.20	114.10	122.00
(g)	Water, Power, Fuel	7.94	11.40	10.30	8.70
Total		**11,070.94**	**15,192.80**	**12,826.10**	**25,909.80**

32 . Employee Benefit Expense

Particulars		As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(a)	Salaries and wages, including bonus	646.57	1,534.60	1,221.20	1,099.60
(b)	Contribution to provident and other funds				
	(1) Provident Fund	72.41	400.50	110.50	95.90
(c)	Staff welfare expenses	68.42	179.80	159.80	205.80
Total Employee Benefit Expense		**787.40**	**2,114.90**	**1,491.50**	**1,401.30**

(I) In pursuant to Ministry of Steel's Order , complying the directive of Honble High Court of Kolkata, pay correction of Executive employees of holding company was effected w.e.f. 01.04.1999. The impact of this is ₹ 157.40 Millions which is included in the figures of F.Y 2017-18.

(II) As per Gazette Notification S.O 1420(E) dated 29/03/2018 the ceiling of Gratuity has been enhanced from ₹ 1.00 Millions to ₹ 2 .00 Millions. ₹ 249.10 Millions towards the impact of this charge has been recognised as past service cost in F.Y 2017-18.

33 . Finance costs

Particulars		As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(a)	Interest expense				
	(1) Interest on Short term borrowings	99.19	193.30	500.80	779.70
	(2) Interest Paid to Customers	235.04	480.30	175.80	193.40
	(3) Interest on account of EFBS Deposits	0.35	-	0.60	0.70
Total finance costs		**334.58**	**673.60**	**677.20**	**973.80**

34 . Other expenses

Amount ₹ in Millions

	Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(a)	Repairs and Maintainance	42.90	98.50	89.30	71.10
(b)	EDP Expenses	6.14	15.00	27.10	28.00
(c)	Insurance charges	7.90	10.40	6.50	4.90
(d)	Rent	18.16	36.60	34.30	48.00
(e)	Rates and taxes	6.10	22.50	64.80	5.60
(f)	Bank Charges	63.18	180.10	107.20	68.90
(g)	Travelling Expenses	18.11	45.90	46.00	40.10
(h)	Foreign Travelling Expenses	1.31	0.80	1.10	2.60
(i)	Car Hire Charges	4.40	12.30	12.20	10.90
(j)	Meeting and Conference	5.64	11.00	18.30	7.30
(k)	Training	0.49	4.80	1.50	1.60
(l)	Directors' Sitting Fees	0.30	0.30	0.20	0.20
(m)	Statutory Auditors' Remuneration				
	(i) Audit Fees	0.28	0.80	0.80	0.70
	(ii) Tax Audit Fees	-	0.10	0.10	0.10
	(iii) Out-of-Pocket Expenses	0.48	0.80	0.50	0.50
(n)	Telex, Postage and Telegram	4.08	4.80	4.90	4.70
(o)	Electricity	6.87	11.90	11.90	12.90
(p)	Printing and Stationery	1.75	6.40	7.60	7.50
(q)	Entertainment	1.24	2.20	2.00	2.20
(r)	Telephone Charges	1.92	5.50	6.20	5.90
(s)	Advertisement	6.05	10.20	17.80	11.90
(t)	Legal Expenses	5.09	13.80	17.30	29.00
(u)	Consultancy Charges	4.11	11.10	11.90	5.80
(v)	Internal Audit fees	0.00	0.20	0.20	0.20
(w)	Out-of-Pocket Expenses (Internal Auditor)	0.18	0.40	0.40	0.30
(x)	Miscellaneous Expenses	12.76	23.90	26.10	28.70
(y)	Staff Recruitment Expenses	1.80	2.80	0.20	1.10
(z)	Newspaper, Books and Periodicals	0.12	0.50	0.30	0.50
(aa)	Corporate Social Responsibility (Refer Note No - 45)	2.60	27.80	14.70	16.80
(ab)	Auction Tender Expenses	1.23	5.30	5.10	7.40
(ac)	Cost of services through outside agency/Equipment rent	669.33	1,267.00	1,194.60	1,227.20
(ad)	Hiring of manpower for operational activities	36.70	54.00	32.30	27.10
(ae)	Security Services	16.54	35.30	20.60	17.00
(af)	Expenses for Custodian Services	1.45	17.40	10.60	12.20
(ag)	Provision for claim payable	0.55	1.10	1.10	1.10
(ah)	Swachh Bharat Cess	0.00	1.60	6.60	2.90
(ai)	Expenses for Valuation Services	0.28	0.60	0.60	-
(aj)	Bad Debts Written off	-	4,594.10	241.80	-
(ak)	Allowance for Bad and Doubtful Advances/Debts *	1,285.65	2,225.11	312.20	3,586.80
(al)	Stock Yard Expenses	5.51	1.00	-	-
(am)	Freight	2.68	6.70	4.10	-
(an)	Loss of written off / Sale of Fixed Assets	0.03	-	6.30	1.30
(ao)	Plot Rent	0.37	0.70	-	-
	Total Other Expenses	**2,244.28**	**8,771.31**	**2,367.30**	**5,301.00**

*** Notes on Allowance for Bad and Doubtful Advances/Debts**

a)Trade Receivables included, M/s Adhunik Metaliks Ltd. The company stood referred to NCLT, Kolkata on a petition filed by a creditor w.e.f. 03/8/2017. MSTC duly registered its Claim with the Resolution Professional. Resolution Plan approved at NCLT had not considered procurements made by MSTC during the CIRP of the Company as part of CIRP costs having priority over other debts of the Company and provided for NIL liquidation value payable to MSTC. MSTC have lodged a complaint in NCLT against Shri Sumit Binani, (Resolution Professional) and Grant Thornton INDIA (Adviser to Resolution Professional) for which hearing is continuing. It is also learnt that the successful resolution applicant M/S Liberty House Group has not paid the EMD and upfront charges within the stipulated period as per the Resolution Plan. Hence there is a doubt of the sustainability of M/s Adhunik Metaliks Ltd. as a going concern. Besides as per the last volumetric assessment conducted by M/s Cotecna Inspection India Private Limited in the month of August 2018, huge shortage of material for almost all materials valuing Rs. 969.78 Millions was detected. Besides the usability and realizability of the material which is still lying in stockyard is uncertain since the plant is close down for more than 6 months.
In view of the above as per prudent accounting practice provision for the entire outstanding net of EMD, for Rs. 1100.81 Millions has been made in the books of accounts.

(b) Trade Receivables included Global Coke Ltd.The book balance of the customer as on 30.09.2018 is Rs. 282.80 Millions, net of EMD balance of Rs. 1.00 Millions Out of which a token provision of Rs. 103.00 Millions is already existing in books of accounts .
The party has been referred to NCLT and MSTC has filed its claim before Resolution Professional (RP). Although the Sindhudurg Plant of the Company is operational, the Jamnagar Plant is still closed .Our Pledged material is lying in Jamnagar Plant and due to its closure the consumption is not possible. We have requested the RP to allow us to sale the pledged materials under Risk Sale Clause with the consent of Committee of Creditors (COC). However the RP replied that as per COC, the pledged materials are an encumbered asset, thus as per IBC code sell of such asset is falling beyond the power of COC.
Thus in view of the uncertainties involved for realisation, as per prudent accounting practice provision for the entire outstanding net of EMD for Rs. 179.80 Millions has been made in the books of accounts.

35 - Exceptional Items

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Provision for Demand on Compensation	-	-	0.50	4.00
Total	**-**	**-**	**0.50**	**4.00**

Explanation to Exceptional Items

The amount of exceptional item shown above is in respect of interest payable to the claimant as per the order of Motor Accident Claim Tribunal (MACT) in case of Subsidiary.

MSTC LIMITED

Annexure VI : Notes to Restated Consolidated Financial Information

Note 36 (a) . Statement of Opening Stock, Purchases, Sales and Closing Stock for the period ended 30th Sept, 2018

(Qty '000 MT) (Amount ₹ in Millions)

Description of material		Opening Stock		Purchases		Sales		Closing Stock	
		Qty	Value	Qty	Value	Qty	Value	Qty	Value
Crude Oil	Sept 2018	-	-	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-	-	-
	2016-17	-	-	1,170.00	3,462.00	1,170.00	3,497.40	-	-
	2015-16	-	-	-	-	-	-	-	-
Coke / Coal	Sept 2018	-	-	1,328.47	9,070.11	1,328.47	9,176.21	-	-
	2017-18	104.00	707.40	2,533.35	13,730.65	2,637.35	14,584.71	-	-
	2016-17	40.00	152.90	2,291.00	8,955.20	2,227.00	8,429.20	104.00	707.40
	2015-16	337.00	1,468.30	5,658.00	25,493.50	5,955.00	26,902.30	40.00	152.90
Pipes & Tubes	Sept 2018	-	-	97.34 mt.	1,764.87	97342 mt.	1,775.94	-	-
	2017-18	-	-	31.38 mt.	757.41	31.38	762.21	-	-
	2016-17	-	-	-	-	-	-	-	-
	2015-16	-	-	-	-	-	-	-	-
Iron Ore	Sept 2018	-	-	-	-	-	-	-	-
	2017-18	-	-	63.34	302.65	63.34	307.19	-	-
	2016-17	-	-	-	-	-	-	-	-
	2015-16	-	-	-	-	-	-	-	-
	Sept 2018				10,834.97		10,952.14		
	2017-18				14,790.72		15,654.11		
	2016-17				12,417.20		11,926.60		
	2015-16				25,493.50		26,902.30		
Add :	Sept 2018	Final Bill Adjustment							
	2017-18				(1.07)		(1.72)		
	2016-17				5.10		28.40		
	2015-16				44.90		45.70		
Add :	Sept 2018	Other Direct Expenses							
	2017-18								
	2016-17				2.40				
	2015-16				-		-		
Closing	Sept 2018				10,834.97		10,952.14		
	2017-18				14,789.65		15,652.39		
	2016-17				12,424.70		11,955.00		
	2015-16				25,538.40		26,948.00		

Note: Opening & Closing Stocks are both stock in transit.

Note 36 (b) . In addition to above the Company have also purchased material as facilitator as per details below:

(Qty ‘000 MT) (Amount ₹ in Millions)

Description of material		Qty	Purchase Value	Service Charges Earned
H R Coil	Sept 2018	-	-	-
	2017-18	10.00	476.60	4.50
	2016-17	1.00	31.30	0.30
	2015-16	1.00	12.00	0.30
Coke / Coal	Sept 2018	588.44	6,484.93	92.94
	2017-18	1,650.00	13,222.30	184.70
	2016-17	1,052.00	7,789.10	160.30
	2015-16	500.00	2,584.00	74.10
Billets	Sept 2018	-	-	-
	2017-18	25.00	779.70	7.70
	2016-17	53.00	1,278.50	13.90
	2015-16	-	-	-
Naptha	Sept 2018	-	-	-
	2017-18	109.00	3,397.20	37.80
	2016-17	267.00	7,988.00	87.30
	2015-16	382.00	9,128.10	113.40
Iron Ore / Pellete	Sept 2018	6,442.42	20,613.64	230.99
	2017-18	12,222.00	31,702.90	384.80
	2016-17	3,884.00	4,907.60	81.90
	2015-16	525.00	2,487.00	72.20
Manganese Ore	Sept 2018	-	-	-
	2017-18	55.00	663.30	6.60
	2016-17	3.00	54.60	0.90
	2015-16	18.00	124.60	5.00
DRI	Sept 2018	-	-	-
	2017-18	318.00	1,253.10	16.80
	2016-17	25.00	370.90	5.60
	2015-16	-	-	-
Misc Items	Sept 2018	361.20	925.85	10.94
	2017-18	1,625.00	2,154.30	29.50
	2016-17	116.00	4,263.90	47.70
	2015-16	-	-	-
TMT Bar	Sept 2018	281.12	3,843.79	34.08
	2017-18	290.00	12,725.80	119.40
	2016-17	85.00	3,275.60	30.90
	2015-16	-	-	-
Chrome Ore	Sept 2018	37.49	464.21	4.64
	2017-18	23.00	255.00	2.50
	2016-17	127.00	927.20	11.40
	2015-16	4.00	35.90	1.60
Channel	Sept 2018	107.40	1,432.53	12.89
	2017-18	-	-	-
	2016-17	63.00	2,186.50	20.60
	2015-16	-	-	-
Electrical Equipment/Project Materials	Sept 2018	15.70	4,181.17	35.99
	2017-18		16,254.70	147.50
	2016-17		478.60	7.40
	2015-16		1,611.90	29.80
Total	Sept 2018	**7,833.77**	**37,946.13**	**422.48**
	2017-18	**16,327.00**	**82,884.90**	**941.80**
	2016-17	**5,676.00**	**33,551.80**	**468.20**
	2015-16	**1,430.00**	**15,983.50**	**296.40**

Note 36(c) . Segmental Reporting as per IndAS 108:

In terms of IndAS 108 the Group has identified Marketing, E-Commerce and Scrap Recovery & Allied Jobs as its three Primary Reportable Business Segments. There is no Secondary Segment.

Amount ₹ in Millions

Particulars		Marketing	E-Commerce	Others (unallocated)	Scrap Recovery & Allied Jobs	Total
Total Revenue	Sept 2018	12,075.18	1,045.71	2.80	1,791.81	14,915.50
	2017-18	22,627.50	1,900.60	5.10	3,398.30	27,931.50
	2016-17	13,854.10	1,618.80	6.60	3,282.50	18,762.00
	2015-16	28,114.70	1,277.50	219.40	3,466.40	33,078.00
Total Expenses	Sept 2018	12,506.95	12.48	395.11	1,596.26	14,510.80
	2017-18	23,169.01	25.60	1,129.90	3,272.50	27,597.01
	2016-17	13,199.10	33.20	781.00	2,920.80	16,934.10
	2015-16	31,468.30	40.70	648.40	2,864.00	35,021.40
Profit/(Loss) before Tax	Sept 2018	(431.77)	1,033.23	(392.31)	195.55	404.70
	2017-18	(541.51)	1,875.00	(1,124.80)	125.80	334.49
	2016-17	655.00	1,585.60	(774.40)	361.70	1,827.90
	2015-16	(3,353.60)	1,236.80	(429.00)	602.40	(1,943.40)
Tax expenses	Sept 2018					563.54
	2017-18					399.30
	2016-17					436.40
	2015-16					527.60
Profit/(Loss) for the year	Sept 2018					(158.84)
	2017-18					(64.81)
	2016-17					1,391.50
	2015-16					(2,471.00)

Assets and liabilities used in the Group's business are not identified to any of the reportable segments,as these are used interchangably between the segments. Hence the Management believes, that it is currently not practicable to provide segment disclosure related to assets and liabilities.

Information about major customers

The revenues from tranactions with a single external customer amounting to 10 per cent or more of the entity's revenues are given below:-

(Amount in ₹ Millions)

Major Customer (Customer having more than 10% revenue)	Sept 2018	2017-18	2016-17	2015-16
Total Revenue	10952.14	15,435.60	10,008.30	20046.21
No. of Customers	3	3	3	3
% of Total Revenue	74.00	68.00	58.00	62.00
Product Segment	Marketing and Scrap Recovery & Allied Jobs	Marketing and Scrap Recovery & Allied Jobs	Marketing and Scrap Recovery & Allied Jobs	Marketing and Scrap Recovery & Allied Jobs

Annexure VI : Notes to Restated Consolidated Financial Information Amount ₹ in Millions

37 (a) Expenditure incurred in Foreign Currency :

Particulars	As at September 30, 2018	2017 - 2018	2016 - 2017	2015-16
Import of Goods	10876.88	22,530.00	19,224.30	13593.60
Travelling Expenses & other	0.65	0.30	0.80	1.70
Total	**10,877.53**	**22,530.30**	**19,225.10**	**13,595.30**

37 (b) Earnings in Foreign Currency :

Particulars	As at September 30, 2018	2017 - 2018	2016 - 2017	2015-16
E auction Registration fees	0.27	0.1	0.1	0.50
Total	***0.27***	**0.1**	**0.1**	***0.50***

38 . Contingent Liabilities & Commitments

(a) Contingent Liabilities

Sl No.	Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
1	Sales Tax & Customs	365.23	421.40	483.40	475.00
2	Money Suits	1420.56	1,452.20	1,672.90	1,560.50
3	Arbitration	3.02	3.00	4.40	265.50
4	Legal Expense	0.00	-	-	32.50
5	Income Tax	65.42	70.60	52.90	42.90
6	Service Tax	970.28	956.20	930.10	835.00
7	Claims against the company not acknowledged as debt	6.14	6.00	7.30	7.30
8	Outstanding Bank Guarantees	137.56	137.56	162.56	42.69
	Total	**2968.20**	**3,046.96**	**3,313.56**	**3,261.39**

(b) Commitments

Sl No.	Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	*As at March 31, 2016*
1	Construction of New Office Building at New town Kolkata	101.47	265.10	-	
2	Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	124.57	43.56	15.92	55.70
	Total	**226.04**	**308.66**	**15.92**	**55.70**

39 . Micro Small And Medium Enterprises

The amount due to MSME (as disclosed in note no 23) is to the extent such undertakings have been identified. The company has normally made payment to MSME units in due time and there are no claim from the parties for interest or overdue payment. The company is following the guidelines of Public Procurement Policy for Micro & Small Enterprises (MSMEs) Order 2012.

Amount ₹ in Millions

40 . Tax Expenses

(i) Income Tax Recognised in the Statement of Profit and Loss

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(1) Current Tax				
- For the current period	393.50	53.26	445.10	600.60
- For earlier years	0.00	0.00	5.90	9.4
(2) Deferred Tax	170.04	346.04	(14.60)	(82.40)
Total income tax expense recognised in the current year	**563.54**	**399.30**	**436.40**	**527.60**

(ii)The income tax expense for the period can be reconciled to the accounting profit (loss) as follows:

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(1) Profit before tax for the year	414.55	347.59	1,832.60	(1,943.40)
(2) Income tax expense calculated at 34.944 % (2017-18: 34.608 %)	-	410.00	429.00	505.50
(3) Effect of expenses that are not deductible in determining taxable profit	110.02	(717.70)	8.20	22.20
(4) Effect of income that is exempt from tax	(1.39)	2.70	(5.40)	(0.30)
(5) Effect of expenses that are deductible in determining taxable profit	232.37	(0.70)	(1.30)	0.20
(6) Carry Forward of Business Loss	-	705.00	-	-
(7) Adjustment in respect of current tax of prior years	-	-	5.90	-
(8) Reversal of MAT credit	222.54	-	-	-
	563.54	**399.30**	**436.40**	**527.60**

The tax rate used for the year 2018-19 and 2017-18 in the reconciliations above is the corporate tax rate of 34.944% (30% plus surcharge @ 12% and education cess @ 4 %) and 34.608% (30% plus surcharge @ 12% and education cess @ 3 %) respectively payable by corporate entities in India on taxable profits under the Indian tax law.

For Deferred Tax calculation of financial year 2018-19, income tax rate of 34.944% (30% plus surcharge @ 12% and education cess @ 4 %).

There is carry forward of business loss and depreciation agrregating to ₹664.97 Millions . However the holding company has a MAT liability of ₹329.47 Millions for which company is entitled to credit in next asseessment years against tax payable on income for those years.The Company feels that it will earn sufficient profit in coming years,not only to offset the carry forward loss but also will have taxable profit. Accordingly deferred tax assets has been recognised for carry forward of business loss,depreciation and MAT credit entitlement.However no Deffered tax asset has been created on the provision for Doubtfull Debts of ₹ 4933.36 Millions in case of holding company as per Conservative approach.

Disclosure in terms of IndAS-8

Particulars	As at March 31, 2018
Total Comprehensive Income attributable to owners of the company reported earlier	739.10
Adjustments for Prior period items:	
MAT creadit reversed in Tax Expenses	(222.54)
MAT creadit reversed in Deffered Tax Assets	222.54
Total Comprehensive Income attributable to owners of the company reported	739.10

Deferred Tax Assets	3,038.30
Adjustment for MAT credit reversal	(222.54)
Net	**2,815.76**

Non Current Tax Assets	349
Adjustment for MAT credit reversal	222.54
Net	**571.54**

Note: There was an error in the calculation of MAT for F.Y 2017-18, A.Y 2018-19 in case of holding company. The MAT was not applicable for that year. Accordingly the same has been rectified during the same period interms of provision of IndAS-8. There is no effect in total comprehensive income for the period due to this adjustment.

(iii) Movement in Deferred Tax

Particulars	As at March 31, 2016	Charge/ (credit) for the Year	As at March 31, 2017	Charge/ (credit) for the Year	As at March 31st 2018	Charge/ (credit) for the Year	As at September 30, 2018
Through Profit or Loss							
Deferred Tax Liabilities							
Employee Family Benefit Scheme	-	-	-		-		-
Property Plant & Equipment and Intangible Assets and others	17.10	4.50	21.60	6.20	27.80	0.70	28.50
	17.10	4.50	21.60	6.20	27.80	0.70	28.50
Deferred Tax Assets							
Property Plant & Equipment Others	-	-	-	0.70	0.70	(0.19)	0.51
Provison against other expenses	203.20	(5.20)	198.00	48.60	246.60	(26.19)	220.43
Provision for Doubtful Debts & Advances	1,367.20	23.50	1,390.70	468.10	1,858.80		1,858.80
Allowances for Doubtful Claims Receivable	1,560.20	-	1,560.20	(1,560.20)	-	-	-
Provision for Vendor Escalation	1.30	-	1.30	6.80	8.10	0.11	8.30
Unabsorbed business losses	-	-	-	704.96	704.96	(472.58)	232.38
Others	9.40	0.80	10.20	(8.80)	1.30	0.04	1.34
MAT credit entitlement						329.47	329.47
Net Deferred Tax (Liabilities)/ Assets	3,141.30	19.10	3,160.40	(339.84)	2,820.46	(169.34)	2,651.23
Total Deferred Tax (Liabilities)/ Assets	**3,124.20**	**14.60**	**3,138.80**	**(346.04)**	**2,792.66**	**(170.04)**	**2,622.73**
Through Other Comprehensive Income							
Deferred Tax Assets							
Remeasurement of Defined Benefit Plan			31.70		23.10	(8.55)	14.55
Gross Deferred Tax (Liabilities)/ Assets	**3,124.20**	**14.60**	**3,170.50**	**(346.04)**	**2,815.76**	**(178.59)**	**2,637.28**

41 . Earnings per Share

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Profit for the year	(158.84)	(64.81)	1,391.50	(2,471.00)
Profit attributable to Shareholders	(158.84)	(64.81)	1,391.50	(2,471.00)
Weighted average No. of Shares for Basic EPS	7,04,00,000	7,04,00,000	7,04,00,000	7,04,00,000
Nominal value of Ordinary Shares (₹)	10.00	10.00	10.00	10.00
Basic/Diluted Earnings per Share (₹ Per Share)	**(2.26)**	**(0.92)**	**19.77**	**(35.10)**

Note - The Company has issued/alloted Bonus Shares in the ratio of 1:1 in the Board Meeting held on 11th Jan 2019 to the shareholders whose name are appearing on the record date.

42 . Disclosures on financial instruments

This section gives an overview of the significance of financial instruments for the Group and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note to the consolidated financial statements.

(1) Categories of Financial Instruments

The following table presents carrying amount and fair value of each category of financial assets and liabilities as at the year end.Carrying value is equivalent to the fair value.

Financial assets	**As at 30th Sept 2018**	**As at March 31, 2018**	**As at March 31, 2017**	**As at March 31, 2016**	**Measured at**
	amount ₹ in Millions	amount ₹ in Millions	amount ₹ in Millions	amount ₹ in Millions	
Trade Receivables	31881.49	36172.01	34598.64	25816.14	Amortised cost
Other Financial Assets	736.91	1073.35	765.40	1403.55	Amortised cost
Cash and Cash Equivalents	1508.66	1758.60	902.40	3071.15	Amortised cost
Other Bank Balances	4028.72	3789.40	4721.70	7005.11	Amortised cost
Investments	78.15	88.00	26.30	0.00	Amortised cost
Total Financial Assets	**38233.93**	**42881.36**	**41014.44**	**37295.94**	
Financial Liabilities					
Borrowings	3019.43	7661.80	6883.50	6533.31	Amortised cost
Trade Payables	21903.94	26040.84	25599.44	21734.34	Amortised cost
Other Financial Liabilities	13155.37	8566.30	8112.10	8835.80	Amortised cost
Total Financial Liabilities	**38078.74**	**42268.94**	**40595.04**	**37103.45**	

(2) Capital Management

The Company manages its capital to ensure that the company is able to continue as going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.The Group is not subject to any externally imposed capital requirements.

(3) Financial risk management objectives

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets , monitors and manages the fianancial risks relating to the operations of the Group . These risks include market risk (like- currency risk, interest rate risk and other price risk), credit risk and liquidity risk. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group does not enter into or trade of financial instruments, including derivative financial instruments, for speculative purposes.

(a) Market Risk

The Company's activities exposes it, primarily to the financial risks of changes in foreign currency exchange rates. On a case to case basis, the Group enters into Forward foreign exchange contracts to hedge the exchange rate risk.

(a) Interest rate risk management

At present Company has converted maximum of its loan to MCLR based, hence the rate is firm for a contract period usually for a year. Further Interest on Overdraft facility is linked with interest of Fixed deposits, which are usually firm for one year.

(b) Foreign Currency risk management

The foreign currency exposure of the Company is due to import liabilities. Transactions are on back to back basis with customers . The gain and loss if any is passed on to the customers. Some times forward cover is taken to hedge the related foreign currency exposure in terms of discussion with the customers.Wherever foreign exchange fluctuations are to be borne by the customers as per agreement with them, foreign exchange gain/ loss are not recognized in the books of the Group.

(b) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in fianacial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties , where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transact with entities that are rated by agencies where available and if not available , the Group uses other publicly available financial information and its own past records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are monitored and the aggregated value of transactions concluded is spread amongst approved counterparties . Credit exposure is controlled by counterparty limits that are reviewed and approved by the Senior management committee.

(c) Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows,and by matching the maturity profiles of financial assets and liablities.

The table below provides details regarding the contractual undiscounted cash obligations of financial liabilities including estimated interest payments September 30,2018 , as at March 31, 2018 , as at March 31, 2017 & as at March 31, 2016.

Financial Liabilities	**As at 30th Sept 2018**				
	Carrying amount	Contractual cash flows	less than 1 year	between 1 - 5 years	More than 5 years
	amount ₹ in Millions	amount ₹ in Millions	amount ₹ in Millions	amount ₹ in Millions	amount ₹ in Millions
Borrowings	3,019.43	3,019.43	3,019.43	-	-
Trade payables	21,903.94	21,903.94	21,901.34	2.60	-
Other financial liabilities	13,155.37	13,157.69	13,147.49	7.90	2.30
	35,059.31	**35,061.63**	**35,048.83**	**10.50**	**2.30**

Financial Liabilities	As at March 31, 2018				
	Carrying amount	Contractual cash flows	less than 1 year	between 1 - 5 years	More than 5 years
	amount ₹ in Millions	amount ₹ in Millions	amount ₹ in Millions	amount ₹ in Millions	amount ₹ in Millions
Borrowings	7,661.80	7,661.80	7,661.80	-	-
Trade payables	26,040.84	26,040.84	26,038.24	2.60	-
Other financial liabilities	8,566.30	8,569.00	8,557.00	8.30	3.70
	34,607.14	**34,609.84**	**34,595.24**	**10.90**	**3.70**

Financial Liabilities	As at March 31, 2017				
	Carrying amount	Contractual cash flows	less than 1 year	between 1 - 5 years	More than 5 years
	amount ₹ in Millions	amount ₹ in Millions	amount ₹ in Millions	amount ₹ in Millions	amount ₹ in Millions
Borrowings	6,883.50	6,883.50	6,883.50	-	-
Trade payables	25,599.44	25,599.44	25,596.84	2.60	-
Other financial liabilities	8,112.10	8,114.46	8,105.26	6.10	3.10
	33,711.54	**33,713.90**	**33,702.10**	**8.70**	**3.10**

Financial Liabilities	As at March 31, 2016				
	Carrying amount	Contractual cash flows	less than 1 year	between 1 - 5 years	More than 5 years
	amount ₹ in Millions	amount ₹ in Millions	amount ₹ in Millions	amount ₹ in Millions	amount ₹ in Millions
Borrowings	6,533.31	6,533.31	6,533.31	-	-
Trade payables	21,734.34	21,734.34	21,731.74	2.60	-
Other financial liabilities	8,835.80	8,838.80	8,827.40	7.40	4.00
	30,570.14	**30,573.14**	**30,559.14**	**10.00**	**4.00**

Annexure VI : Notes to Restated Consolidated Financial Information
43 . Related Party Transaction

(a) Compensastion to Key Managerial Personnel

Particulars	Nature of related party / relationship	Short Term benefit (amount ₹ in Millionss)			
		Short Term Benefit	Post Employment Benefits	Other Long Term Benefits	Total
Current Period as at Sept 30th,2018					
Sri Bambahadur Singh	Chairman cum Managing Director	2.67	0.04	-	2.71
Sri A.K Basu	Director (Finance)	2.00	0.05	-	2.05
Smt Bhanu Kumar	Director (Commercial)	2.38	0.03	-	2.41
Sri S.K Ray (upto 27.07.2018)	Company Secretary	0.48	-	-	0.48
Sri A.K.Rai (From 27.07.2018)	Company Secretary	0.61	-	-	0.61
Sri Gangaram Aloria	Independent Director	0.09*	-	-	0.09
Dr. Rudramauni Shivayogeppa Yeli	Independent Director	0.06*	-	-	0.06
Smt. Pravati Parida	Independent Director	0.03*	-	-	0.03
Sri T V Muralivallabhan	Independent Director	0.12*	-	-	0.12
Sri Rajib Bhattacharya	Managing Director	1.80	0.03	0.15	1.97
Sri Satadal Mitra	Chief Financial Officer	1.44	0.08	0.20	1.72
Sri Ashok Mishra	Company Secretary	0.69	0.03	0.04	0.75
As at March 31st,2018					
Sri Bambahadur Singh	Chairman cum Managing Director	4.22	0.95	0.92	6.10
Sri A.K Basu	Director (Finance)	4.03	0.96	0.38	5.37
Smt Bhanu Kumar (from 12.10.2017)	Director (Commercial)	1.19	0.90	0.70	2.79
Sri S.K Ray	Company Secretary	3.00	0.09	-	3.09
Sri Gangaram Aloria	Independent Director	.105*	-	-	0.10
Sri T V Muralivallabhan	Independent Director	.165*	-	-	0.17
Sri Rajib Bhattacharya	Managing Director	4.00	0.80	0.10	4.90
Sri Satadal Mitra	Chief Financial Officer	3.10	0.20	-	3.30
Sri Ashok Mishra	Company Secretary	1.30	-	0.10	1.40
As at March 31st,2017					
Sri Bambahadur Singh (From 01.06.2016-31.03.2017)	Chairman cum Managing Director	3.60	0.30	-	3.90
Sri Bambahadur Singh (From 01.04.2016-31.05.2016)	Director (Commercial)	-	-	-	-
Sh. S.K Tripathi (From 01.04.2016.-31.05.2016)	Chairman cum Managing Director	2.90	0.10	-	3.00
Sri A.K Basu	Director (Finance)	4.00	0.20	-	4.20
Sri S.K Ray	Company Secretary	2.80	0.10	-	2.90
Sri Ajay Kumar Goyal	Independent Director	.19*	-	-	0.19
Sri Rajib Bhattacharya	Managing Director	2.60	-	0.10	2.70
Sri Satadal Mitra	Chief Financial Officer	2.10	0.10	0.20	2.40
Sri A P Sharma	Company Secretary	2.10	-	-	2.10
Sri Ashok Mishra	Company Secretary	0.20	-	-	0.20

As at March 31st,2016

Sh. S.K Tripathi (From 01.04.2016.-31.05.2016)	Chairman cum Managing Director	6.70	0.30	-	7.00
Sri A.K Basu	Director (Finance)	4.40	0.20	-	4.60
Sri Bambahadur Singh	Director (Commercial)	4.10	0.20	-	4.30
Sri S.K Ray	Company Secretary	3.60	0.20	-	3.80
Sri N C Jha	Independent Director	.18*	-	-	0.18
Sri Rajib Bhattacharya	Managing Director	2.38	1.18	-	3.56
Sri A. P . Sharma (From 01.04.2016- 31.05.2016)	Company Secretary	2.22	0.49	-	2.72

Note : * It indicate Directors Sitting Fees.

(i) Since the facility of private use of car for limited mileage is provided by the company to the Directors, such facility has not been considered as benefit/perquisite.

(ii) The above includes Performance related pay on actual payment basis.

(b) Transaction with FSNL Limited (100% Subsidiary)

(amount ₹ in Millions)

Particulars	**As at 30th Sept 2018**	**2017-18**	**2016-17**	**2015-16**
Payment of Custodian Service for the Warehouse Management	1.98	23.00	17.60	25.55
Amount Received for providing E-Auction Service	0.02	0.10	0.10	0.01

(c) Transaction with Mahindra MSTC Recycling Private Limited (50:50 Joint Venture)

(amount ₹ in Millions)

Particulars	**As at 30th Sept 2018**	**2017-18**	**2016-17**	**2015-16**
Investment in Joint Venture	-	75.00	31.00	-
Amount received towards reimbursement of expenditure	0.47	0.80	0.70	-
Deposit for Appointment of Director paid	-	0.10	-	-
Deposit for Appointment of Director received back	-	0.10	-	-

Note- The above list of Related Party is as per disclosure requirement of IndAS 24 .

44 . Employee Benefits

Defined Contribution Plans

1. Providend Fund
12% of Basic pay and dearness allowance contributed to the providend fund trust by the Group.

2. Leave Encashment Benefit
In case of subsidiary, it is payable on separation to eligibile employees, shall be limited to 300 days (Earned Leave and Half-Pay Leave combined), and HPL shall not be commuted as per DPE Guidelines for calculation of 300 days limit. Encashment of accumulated earned leave is also allowed upto 30 days once in a calender year.

3. Post Retirement Settlement Benefit
In case of subsidiary, it is payable to retiring employees for settlement at their declared home town.

4. Employee Family Benefit Scheme

In case of subsidiary, monthly payment to disabled separated employees / legal heirs of deceased employees in lieu of prescribed deposit till the notional date of superannuation of deceased employees.

5. Long Term Service Award
In case of subsidiary, it is payable in kind for rendering minimum 25 years of service and also on superannuation.

Defined Benefits Plans

1. Gratuity:
The Gratuity is payable on separation at the rate of 15 days pay for each completed year of service to eligible employees who render continuous service for a minimum period of 5 years and upto 30 years. The Gratuity is calculated at the rate of one month's wages last drawn by the employee for every completed year of service in excess of 30 years. The maximum amount of Gratuity payable to employee is ₹ 2 Million.
The Gratuity is funded with LIC of India. Till March'18 the Company contributed in the fund every year as premium on the basis of demand raised by LIC of India which was accounted as Gratuity on the basis of payment of premium. In addition, the company has done actuarial valuation of Gratuity Fund in accordance with Ind AS 19.

2. Post Retirement Medical Benefit:
The Post Retirement Medical Benefit is a medical benefit to the superannuated employees and their spouse. The members will be covered through Mediclaim Insurance admitted of the Insurance Company. This is available to superannuated employees at any hospital under the Mediclaim Insurance Policy.In addition to this expenses incurred in domicilliary treatment is also reimbusrsed as per prescribed ceiling.The benefits are funded through a separate trust formed for this purpose.The Company provides the corpus for this. Deficit if any is being compensated by the company.Till F.Y 2015-16, the company used to contribute to the fund based on own estimates. From F.Y 2016-17, first time actuarial valuation has been done and accordingly liability has been provided in the books of accounts.

3. Contributory Scheme for Post Retirement Medical Facilities (Domiciliary):

In case of subsidiary, the payment of medical facilities (Domiciliary) to the separated executives as covered under contributary scheme for post retirement medical facilities (domiciliary) for executives.

Investment risk		The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yields at the end of the reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments. Further, the overseas plan has a relatively balanced investment in equity securities, debt instruments and real estates. Due to the long-term nature of the plan liabilities, the board of the overseas Fund considers it appropriate that a reasonable portion of the plan assets should be invested in equity securities and in real estate to leverage the return generated by the fund.
Interest risk		A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk		The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk		The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(a) The company has recognised an amount of ₹ 125.62 Million in Statement of Profit and Loss for the half year ended 30th Sept 2018, in F.Y2017-2018 ₹ 149.20 Million , in F.Y 2016-17 ₹ 117.50 Million and in F.Y 2015-16 ₹ 96.80 Million as expenses under defined contribution plans.

Benefit (Contribution to)	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
	₹ in Million	₹ in Million	₹ in Million	₹ in Million
Provident Fund & others	125.62	149.20	117.50	96.80
Total	**125.62**	**149.20**	**117.50**	**96.80**

(b) The company operates post retirement defined benefit plans as follows :

i. Funded:
   a. Gratuity.
   b. Post Retirement Medical Benefit Scheme.

ii. Unfunded:
   a. In case of subsidiary, Post Retirement Medical Benefit Scheme is unfunded.

(c) Details of the Gratuity Plan are as follows :

Description	As at September 30, 2018	For the year ended March, 31st 2018	March, 31st 2017	March, 31st 2016
1. Assumptions				
a. Discount rate (per annum)	8.00%	7.40%	6.90%	
b. Estimated rate of return on plan assets (per annum)	8.00%	7.40%	6.90%	
c. Rate of escalation in salary (per annum)	8.00%	8.00%	8.00%	
In case of subsidiary, rate of escalation in salary (per annum)	Non-Executive-10% for the first year and 6% thereafter Executive-10% for first year and 5% thereafter	Non-Executive-10% for the first year and 6% thereafter Executive-10% for first year and 5% thereafter	Non-Executive-10% for the first year and 6% thereafter Executive-10% for first year and 5% thereafter	

2. Amounts recognised in standalone statement of profit and loss in respect of defined benefit palns under Gratuity are as follows:

	As at September 30, 2018	For the year ended March, 31st 2018	March, 31st 2017	March, 31st 2016
	₹ in Million	₹ in Million	₹ in Million	₹ in Million
a. Current service cost	55.25	258.60	10.40	NA
b. Service Cost	55.25	258.60	10.40	
c. Net Interest on net defined benefit liability / (asset)	17.92	0.90	8.70	
d. Cost recognized in P&L	**73.16**	**259.50**	**19.10**	
Remeasurement on the net				
a. Actuarial (gain)/loss due to DBO Experience	62.44	38.60	(16.60)	
b. Actuarial (gain)/loss due to DBO assumption	(79.19)	(2.40)	30.50	
c. Actuarial (gain)/loss arising during period	(16.75)	36.20	13.90	
d. Return on plan assets (greater)/less than discount	(10.81)	(2.20)	0.90	
e. Actuarial (gains)/losses recognised in OCI	(27.56)	34.00	14.80	
f. (Income)/Cost recognized in OCI	**(27.56)**	**34.00**	**14.80**	

3. The current service cost and the net interest expenses for the year are included in the 'Employee benefits expense' line item in the standalone statement of profit and loss w.e.f F.Y 2017-18 on the basis of actuarial valuation under INDAS 19.

4. The remeasurement of the net defined benefit liability is included in other comprehensive income.

5(a). Movements in the present value of the defined benefit obligation are as follows	As at September 30, 2018	For the year ended March, 31st 2018	March, 31st 2017	March, 31st 2016
	₹ in Million	₹ in Million	₹ in Million	₹ in Million
a. Obligation as at the beginning of	2,578.16	593.10	588.30	NA
b. Current Service Cost	55.25	9.40	10.40	
c. Interest Cost on DBO	91.49	39.00	43.70	
d. Past Service Cost- Plan	-	249.10	-	
e.Acquisitions (credit)/cost	10.68			
f. Actuarial gains and losses arising	(81.66)	(2.40)	30.50	
g. Actuarial gains and losses	64.91	38.60	(16.60)	
h. Benefits paid from plan asset	(210.67)	(55.60)	(63.20)	
i. Closing defined benefit	**2,508.17**	**871.20**	**593.10**	

5(b). Movements in the fair value of the plan assets are as follows	As at September 30, 2018	For the year ended March, 31st 2018	March, 31st 2017	March, 31st 2016
	₹ in Million	₹ in Million	₹ in Million	₹ in Million
a. Fair value of the assets at the	1,674.74	559.50	364.70	NA
b. Interest Income on plan assets	73.58	38.10	35.00	
c. Employer Contributions	838.40	41.30	223.90	
d. Return on plan assets	10.81	2.20	(0.90)	
e. Benefits paid	(210.67)	(55.60)	(63.20)	
f. Fair Value of assets at the end	**2,386.85**	**585.50**	**559.50**	

6. Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected medical cost inflation. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Effect of a 1% change in discount rate	**As at September 30, 2018**	**March, 31st 2018**	**March, 31st 2017**	**March, 31st 2016**
Increase	₹ in Million	₹ in Million	₹ in Million	₹ in Million
(i) aggregate current service and interest cost	(124.17)	(43.00)	(31.60)	
(ii) closing balance of obligation	2,384.00	828.20	561.60	
Decrease				NA
(i) aggregate current service and interest cost	139.42	47.30	35.00	
(ii) closing balance of obligation	2,647.59	918.60	628.10	

Effect of a 1% change in salary esclation rate	**As at September 30, 2018**	**March, 31st 2018**	**March, 31st 2017**	**March, 31st 2016**
Increase	₹ in Million	₹ in Million	₹ in Million	₹ in Million
(i) aggregate current service and interest cost	79.62	32.70	6.60	
(ii) closing balance of obligation	2,587.78	903.90	599.80	
Decrease				NA
(i) aggregate current service and interest cost	(80.54)	(34.30)	(8.10)	
(ii) closing balance of obligation	2,427.63	836.90	585.00	

7. The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

8.There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years

Details of the Post Retirement Medical Benefit Scheme are as follows :

Description	**As at September 30, 2018**	**For the year ended**		
		March, 31st 2018	**March, 31st 2017**	**March, 31st 2016**
1. Assumptions				
a. Discount rate (per annum)	8.00%	7.40%	6.90%	NA
b. Medical Inflation (per annum)	5.00%	5.00%	5.00%	

2. Amounts recognised in standalone statement of profit and loss in respect of defined benefit plans under Post Retirement Medical Benefit Scheme are as follows:

	As at September 30, 2018	**For the year ended**		
		March, 31st 2018	**March, 31st 2017**	**March, 31st 2016**
	₹ in Million	₹ in Million	₹ in Million	₹ in Million
a. Current service cost	25.64	8.80	10.20	
b. Service Cost				
c. Net Interest on net defined benefit liability / (asset)	30.30	17.30	15.10	
d. Cost recognized in P&L	**55.94**	**26.10**	**25.30**	
Remeasurement on the net defined benefit liability/asset:				
e. Actuarial (gain)/loss due to DBO Experience	(64.14)	34.30	36.10	NA
f. Actuarial (gain)/loss due to DBO assumption	(130.21)	(24.60)	36.40	
g. Actuarial (gain)/loss arising during period	(194.35)	9.70	72.50	
h. Return on plan assets (greater)/less than discount	(54.21)	(5.70)	(0.40)	
i. Actuarial (gains)/losses recognised in OCI	(248.56)	4.00	72.10	
j. Adjustments for limit on net assets	-	-	-	
k. (Income)/Cost recognized in OCI	**(248.56)**	**4.00**	**72.10**	

3. The current service cost and the net interest expenses for the year are included in the 'Employee benefits expense' line item in the standalone statement of profit and loss.

4. The remeasurement of the net defined benefit liability is included in other comprehensive income.

5. Movements in the present value of the defined benefit obligation are as follows		**For the year ended**		
	As at September 30, 2018	**March, 31st 2018**	**March, 31st 2017**	**March, 31st 2016**
	₹ in Million	₹ in Million	₹ in Million	₹ in Million
a. Obligation as at the beginning of the year	1,909.38	330.90	240.30	
b. Current Service Cost	25.64	8.80	10.20	
c. Interest Cost	69.32	22.30	18.30	NA
d. Actuarial gains and losses arising from changes in financial assumptions	(129.03)	(24.60)	36.30	
e. Actuarial gains and losses arising from experience adjustments	(65.31)	34.40	36.10	
f. Benefits paid directly by the Company	(71.43)	(14.40)	(10.40)	
g. Closing defined benefit Obligation	**1,738.56**	**357.40**	**330.80**	

6. Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected medical cost inflation. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Effect of a 1% change in discount rate	**As at September 30, 2018**	**March, 31st 2018**	**March, 31st 2017**	**March, 31st 2016**
Increase	₹ in Million	₹ in Million	₹ in Million	₹ in Million
(i) aggregate current service and interest cost	(181.84)	(42.20)	(41.70)	
(ii) closing balance of obligation	1,556.72	315.20	289.10	
Decrease				NA
(i) aggregate current service and interest cost	222.05	51.90	51.90	
(ii) closing balance of obligation	1,960.61	409.30	382.70	

Effect of a 1% change in medical inflation rate	**As at September 30, 2018**	**March, 31st 2018**	**March, 31st 2017**	**March, 31st 2016**
Increase	₹ in Million	₹ in Million	₹ in Million	₹ in Million
(i) aggregate current service and interest cost	158.79	45.10	44.50	
(ii) closing balance of obligation	1,897.35	402.50	375.30	
Decrease				NA
(i) aggregate current service and interest cost	(129.69)	(36.90)	(36.00)	
(ii) closing balance of obligation	1,608.87	320.50	294.80	

7. The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

8.There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

In case of subsidiary, details of the Contributory Scheme for Post Retirement Medical Facilities (Domiciliary) are as follows :

Description		**For the year ended**		
	As at September 30, 2018	**March, 31st 2018**	**March, 31st 2017**	**March, 31st 2016**
1. Assumptions				
a. Discount rate (per annum)	8.00%	7.40%	6.90%	NA
b. Medical Inflation (per annum)	Not Applicable	Not Applicable	Not Applicable	

2. Amounts recognised in			**For the year**	
	As at September 30, 2018	**March, 31st 2018**	**March, 31st 2017**	**March, 31st 2016**
	₹ in Million	₹ in Million	₹ in Million	₹ in Million
a. Current service cost	0.28	0.81	0.79	
b. Service Cost	0.28	0.81	0.79	NA
c. Net Interest on net defined	0.64	1.55	1.53	
d. Immediate recognition of	-	-	-	
e. Cost recognized in P&L	**0.92**	**2.36**	**2.33**	
Remeasurement on the net				
a. Actuarial (gain)/loss due to DBO Experience	0.09	(6.09)	(1.29)	
b. Actuarial (gain)/loss due to DBO assumption	(0.96)	(1.08)	2.20	NA
c. Actuarial (gain)/loss arising during period	(0.88)	(7.18)	0.91	
d. Actuarial (gains)/losses recognised in OCI	(0.88)	(7.18)	9.07	
e. (Income)/Cost recognized in	**(0.88)**	**(7.18)**	**9.07**	

3. The current service cost and the net interest expenses for the year are included in the 'Employee benefits expense' line item in the standalone statement of profit and loss.

4. The remeasurement of the net defined benefit liability is included in other comprehensive income.

5. Movements in the present value of the defined benefit obligation are as follows		**For the year ended**		
	As at September 30, 2018	**March, 31st 2018**	**March, 31st 2017**	**March, 31st 2016**
	₹ in Million	₹ in Million	₹ in Million	₹ in Million
a. Obligation as at the beginning of the year	(17.45)	(22.72)	(19.82)	
b. Current Service Cost	(0.28)	(0.81)	(0.79)	
c. Interest Cost	(0.64)	(1.55)	(1.53)	NA
d. Actuarial gains and losses arising from experience adjustments	-	-	-	
g. Benefits paid directly by the Company	0.29	0.46	0.33	
h. Amounts recognized in OCI	0.88	7.18	(0.91)	
i. Closing defined benefit Obligation	**(17.20)**	**(17.45)**	**(22.72)**	

6. Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected medical cost inflation. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Effect of a 1% change in discount rate	**As at September 30, 2018**	**March, 31st 2018**	**March, 31st 2017**	**March, 31st 2016**
Increase	₹ in Million	₹ in Million	₹ in Million	₹ in Million
(i) aggregate current service and interest cost	(1.75)	(1.89)	(2.42)	
(ii) closing balance of obligation	(18.96)	(19.34)	(25.15)	
Decrease				NA
(i) aggregate current service and interest cost	2.09	2.27	2.92	
(ii) closing balance of obligation	(15.11)	(15.18)	(19.81)	

Effect of a 1% change in medical inflation rate	**As at September 30, 2018**	**March, 31st 2018**	**March, 31st 2017**	**March, 31st 2016**
Increase				
(i) aggregate current service and interest cost	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(ii) closing balance of obligation	-	-	-	
Decrease				
(i) aggregate current service and interest cost	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(ii) closing balance of obligation	-	-	-	

7. The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

8.There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

45. Statement of other comprehensive income for the period

Amount ₹ in Millions

		As at 30th Sept 2018	For the Year ended 31st March 2018	For the Year ended 31st March 2017	For the Year ended 31st March 2016
I	**Items not subsequently reclassified to profit or loss**				
(a)	Remeasurement gains / (losses) on defined benefit plans				
(i)	Remeasurement gains / (losses) on defined benefit plans during the p	56.73	(30.80)	(87.80)	(286.50)
(ii)	Net movement in regulatory deferral account balances related to remeasurement gains/(losses)				
(iii)	Share of joint ventures				
(iv)	Share of associates				
(v)	Tax on remeasurement gain / (loss) on defined benefit plans	(19.82)	(2.10)	30.40	99.10
(b)	Fair valuation of equity instruments designated as fair value through OCI			-	-
(i)	Gain/(loss) on fair valuation				
(iii)	Net movement in regulatory deferral account balances related to fair value of equity instruments				
(iv)	Share of joint ventures		0.20		
(v)	Share of associates				
(vi)	Tax impact				
					-
	Total Other Comprehensive Income (a+b)	**36.91**	**(33.10)**	**(57.40)**	**(187.40)**

46 . Expenditure incurred on Corporate Social Responsibility Activities

a. In accordance to Section 135 of the Companies Act 2013 , gross amount required to be spent by the company during the period - ₹ 20.00 Millions.

b. The group has incurred ₹ 2.6 Millions in current half year, in F.Y 2017-18 ₹ 27.80 Millions , in F.Y 2016-17 ₹ 15.73 Million and in F.Y 2015-16 ₹ 14.70 Million as CSR expenditure.

Amount ₹ in Millions

Particulars	As at 30th Sept 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(1) Construction/ Rennovation of any asset	2.00	12.90	4.60	2.80
(2) Construction of Toilet Blocks	-	4.00	4.50	10.00
(3) Tube Wells	-	6.90	0.80	0.50
(4) other	0.60	4.00	4.80	3.50
	2.60	**27.80**	**14.70**	**16.80**

Above figures are disclosed separetly in note no 34(aa).

47 . Balances of Trade Receivables, Trade Payables and Advances includes balances subject to confirmation/reconciliation and consequential adjustment, if any. Reconciliations are carried out on on-going basis. Provisions,wherever considered necessary, have been made.

48 . The Company is preparing the financials for six months period ending 30.09.2018 (April'18 to Sept'18)for the first time. Hence the comparable figures of previous six months is not available.

In terms of our report of even date

For D.K. Chhajer & Co.

Chartered Accountants

FRN : 304138E

For and on behalf of the Board of Directors of

MSTC LIMITED

(CA Niraj K Jhunjhunwala)

Partner

M. No : 057170

(B.B Singh)

CHAIRMAN CUM-

MANAGING DIRECTOR

(DIN- 03212787)

(Subrata Sarkar)

DIRECTOR

FINANCE

(DIN- 8290021)

Dated : 11.01.2019

Place Kolkata

(R K Chaudhuri)

CHIEF GENERAL MANAGER

FINANCE & ACCOUNTS

(Ajay Kumar Rai)

COMPANY SECRETARY

Annexure VII : Statement on Adjustment to Audited Consolidated Financial Statements

Amount ₹ in Millions

Reconciliation of Profit/(Loss)				
Particulars	**Sept 2018**	**2017-18**	**2016-17**	**2015-16**
Audited Profit/(Loss) After Tax	(3,806.55)	772.20	798.40	932.80
Add(Less): Effect of Qualified Opinion of Auditors on Trade Receivable	(3,647.71)	837.01	(593.10)	3,403.80
Resated Profit/(Loss) After Tax	(158.84)	(64.81)	1,391.50	(2,471.00)

Amount ₹ in Millions

Reconciliation of Other Equity				
Particulars	**Sept 2018**	**2017-18**	**2016-17**	**2015-16**
Audited Other Equity	2,927.16	6,957.30	6,695.00	6,462.50
Opinion of Auditors on Trade Receivable	-	(3,647.71)	(2,810.70)	(3,403.80)
Resated Other Equity	2,927.16	3,309.59	3,884.30	3,058.70

In terms of our report of even date.

For D K Chhajer & Co.
Chartered Accountants
FRN : 304138E

For and on behalf of the Board of Directors
MSTC LIMITED

(CA Niraj K Jhunjhunwala)
Partner
M. No : 057170

(B.B Singh)
CHAIRMAN-CUM-
MANAGING DIRECTOR
(DIN- 03212787)

(Subrata Sarkar)
DIRECTOR
FINANCE
(DIN- 8290021)

Dated
Place: Kolkata

(R K Chaudhuri)
CHIEF GENERAL MANAGER
FINANCE & ACCOUNTS

(Ajay Kumar Rai)
COMPANY SECRETARY

Annexure VIII : Restated Consolidated Statement of Accounting Ratios

Reporting Date	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Particulars				
(a) Networth (₹ in Millions)	3,279.18	3,661.59	4,060.30	3,146.70
(b) Net Profit (₹ in Millions)	(158.84)	(64.81)	1,391.50	(2,471.00)
(c) No of Shares as on 30.09.2018	35200000	35200000	35200000	35200000
(d) No of Shares as on reporting date #	70400000	70400000	70400000	70400000
(e) EPS (Basic) (₹)	(2.26)	(0.92)	19.77	(35.10)
(f) EPS (Diluted) (₹)	(2.26)	(0.92)	19.77	(35.10)
(g) Return on Net Worth (percentage)	-4.84%	-1.77%	34.27%	-78.53%
(h) Net Asset Value Per Share (₹)	46.58	52.01	57.67	44.70
(i) EBITDA (₹ in Millions)	803.03	1,131.99	2,626.40	(853.50)
(j) Face Value per Share (₹)	10.00	10.00	10.00	10.00

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

2.# Earning Per Share (EPS) are calculated taken into account of the bonus shares issued/alloted in the Board Meeting held on 11/01/2019.

3. The ratio has been computed as below:

$$\text{Basic Earning Per Share (₹)} = \frac{\text{Net profit after tax attributable to owners of the company , as restated}}{\text{Number of equity shares outstanding during as per note 2 above}}$$

$$\text{Diluted Earning Per Share (₹)} = \frac{\text{Net profit after tax attributable to owners of the company , as restated}}{\text{Number of equity shares outstanding during as per note 2 above}}$$

$$\text{Return on Net Worth (\%)} = \frac{\text{Net profit after tax attributable to owners of the company , as restated}}{\text{Net Worth as restated as at financial statement date}}$$

EBITDA (₹) = Profit Before Tax (-) Finance Costs(-) Depreciation and Amortisation Expense

In terms of our report of even date
For D.K. Chhajer & Co.
Chartered Accountants
FRN : 304138E

For and on behalf of the Board of Directors of
MSTC LIMITED

(CA Niraj K Jhunjhunwala)
Partner
M. No : 057170

(B.B Singh)
CHAIRMAN CUM-
MANAGING DIRECTOR
(DIN- 03212787)

(Subrata Sarkar)
DIRECTOR
FINANCE
(DIN- 8290021)

Dated 11 01.2019
Place : Kolkata

(R K Chaudhuri)
CHIEF GENERAL MANAGER
FINANCE & ACCOUNTS

(Ajay Kumar Rai)
COMPANY SECRETARY

MSTC Limited

Annexure IX: Restated Consolidated Statement of Capitalization

Capitalization Statement

	Pre-Issue as at September 30, 2018		Adjusted for the post-Offer #
	Amount ₹ in Crores	*Amount ₹ in million*	
	Total borrowings		
Current Borrowings*	298.60	2986.02	
Non-current borrowings (including current maturity)*	3.34	33.41	
	Total Equity		
Equity Share Capital*	35.20	352.00	
Other equity*	292.72	2927.18	
Total Capital	**327.92**	**3279.18**	
Ratio: Non-Current borrowings / Total equity	0.01	0.01	

* The terms shall carry the meaning as per Schedule –III of the Companies Act 2013 (as amended).

The Company has issued/allotted Bonus Shares in the ratio of 1:1 in the Board Meeting held on 11th Jan 2019 to the shareholders whose name are appearing on the record date. Post this the Equity Share Capital stands at ₹ 70.40 crores / ₹ 704.00 millions.

These amounts (as adjusted for post offer) are not determinable at this stage, hence has not been furnished.

In terms of our report of even date.

For D K Chhajer & Co.
Chartered Accountants
FRN : 304138E

For and on behalf of the Board of Directors of
MSTC LIMITED

(CA Niraj K Jhunjhunwala)
Partner
M. No : 057170

(B.B Singh)
CHAIRMAN-CUM-MANAGING DIRECTOR
(DIN- 03212787)

(Subrata Sarkar)
DIRECTOR FINANCE
(DIN- 8290021)

Dated : 11.01.2019
Place: Kolkata

(R K Chaudhuri)
CHIEF GENERAL MANAGER FINANCE & ACCOUNTS

(Ajay Kumar Rai)
COMPANY SECRETARY

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

You should read the following discussion of our financial condition and results of operations together with our Restated Financial Statements for the half year period ended on September 30, 2018 and the Fiscals ended March 31, 2018, March 31, 2017, and March 31, 2016, including the significant accounting policies, related notes and reports thereon, which have been prepared in accordance with Companies Act and SEBI ICDR Regulations and included in this Red Herring Prospectus. The Restated Financial Statements have been prepared in accordance with the Ind-AS that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our Fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.

The following discussion and analysis contain forward-looking statements that involve risks and uncertainties. Our actual results may differ from those anticipated in these forward-looking statements as a result of any number of factors, including those set forth in the sections "Forward-Looking Statements" and "Risk Factors" on pages 19 and 25, respectively.

Significant Factors Affecting Our Results of Operations

The following is a discussion of certain factors that have had, and continue to have, a significant effect on our financial results:

Competition

India's B2B e-commerce industry is characterized by low entry barriers. There are new companies which are venturing into B2B e-commerce and may engage themselves in conducting e-auction and/or e-procurement which may lead to increase the competition in the industry in which we operate. Some of our competitors in the e-commerce and trading industries may have extensive experience, deployment of large manpower capability, greater financial capabilities and better relationships with customers. Our customers evaluate us based on, among other things, customization, speed, quality, flexibility, costs, service delivery and results. Some of our competitors may have made smaller investments in their infrastructure and consequently incur much lower cost to provide the services, as compared to ours. Also, being a PSU, our Company has to follow all the guidelines issued by CVC, regulation of the IT Act 2000 and other audit requirements of STQC, for which our Company has to invest huge amount toward systems infrastructure. If we are unable to offset reductions in price through improved operating efficiencies and reduced expenditures, then such reductions in price could negatively impact our profit margins and cash flows.

Dependence on government and government-controlled entities for securing e-commerce business

Government and government-controlled entities contribute the majority of our revenues in the e-commerce vertical. We have emerged as the preferred service provider for various government and government-controlled entities who are engaging us on nomination basis based on our strong credentials. Our Company is a nominated agency for all major mineral blocks and minor mineral blocks in several states. Nomination-based auctioneer selection for natural resources allocation gives our Company a distinct advantage over our peers who are operating in B2B e-commerce industry. Any change in government policy such as resorting to a competitive bidding process for a customer's selection of an e-commerce service provider could affect our business operations adversely.

Further, the disinvestment plan of the CPSEs of the GoI may result in reduced GoI control over entities that are currently our customers. Due to dilution of the GoI's stake in government and government-controlled entities, there could be a reduction in the contracts awarded by such entities to us.

Ability to offer innovative and customized services/solutions

We primarily provide trading and e-commerce services, mainly comprising of e-auction/e-sale, e-procurement and customized software. Changes in customer preferences, regulatory or industry trends or requirements or changes in technologies may render some of our services obsolete or less attractive. Our ability to anticipate changes in technology, customer preferences and regulatory changes and to successfully develop and introduce new and enhanced services on a timely basis will have an impact on our business operations.

Managing counter party risk in our trading vertical

Our customers may be unable to meet their contractual payment obligations to us, either in a timely manner or at all. The reasons for payment delays, cancellations or defaults by our customers may include insolvency, bankruptcy, insufficient financing or working capital due to late payments by their respective end-customers. We may not be able to enforce our contractual rights to receive payment through legal proceedings. Currently, we have certain debtors who have been referred to NCLT. Another risk is that the operational creditors do not even have the right to sue for amounts. In the event that we are not able to collect payments from our customers, our business, results of operations, cash flows and financial condition may be adversely affected.

Ability to successfully implement our growth strategy

We are embarking on a growth strategy which involves expanding our customer base, diversifying into the B2C segment and developing the recycling business. These strategic initiatives may require significant capital and other resources, as well as management attention, which could place a burden on our resources and abilities. Our diversification into some of these business verticals is at a nascent stage and we may not be able to properly assess the risks, economic viability and prospects of business opportunities in such verticals. As a result, we may not be successful in developing these businesses to the extent of and in accordance with our expectations and business strategies, and there can be no assurance relating to any revenues from or profitability of such strategies we intend to pursue.

Our Significant Accounting Policies

Basis of preparation

The restated consolidated financial statements of the Group have been specifically prepared for inclusion in the document to be filed by the Company with the Securities and Exchange Board of India ("**SEBI**"), Registrar of Companies ("**RoC**") and Stock Exchanges in connection with the proposed Initial Public Offering ("**IPO**") of equity shares of the Company (referred to as the "**Issue**"). The Restated Consolidated Financial Information comprise of the restated consolidated statement of assets and liabilities as at September 30, 2018, March 31, 2018, March 31, 2017, March 31, 2016, the restated consolidated statement of profit and loss, the restated consolidated statement of changes in equity and restated consolidated statement of cash flows for the period ended September 30, 2018 and years ended March 31, 2018, March 31, 2017 and March 31, 2016 and accompanying restated consolidated statements of significant accounting policies and notes to restated consolidated financial information (hereinafter collectively referred to as "**the Restated Consolidated Financial Information**").

The restated consolidated financial information has been prepared to comply in all material respects with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013 ("**the Act**") and the Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2018 ("**ICDR Regulations**").

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be measured at fair value at the end of each reporting period by Ind ASs. The financial statements of the Group have been preapared to comply with the Indian Accounting Standards ('**Ind ASs**'), including the rules notified under the relevant provisions of the Companies Act, 2013.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Principles of consolidation

The consolidated financial statements relate to MSTC Ltd ('**the Company'**) and its subsidiary company Ferro Scrap Nigam Ltd.and Joint Venture Mahindra MSTC Recycling Pvt Ltd. The consolidated financial statements have been prepared on the following basis:

A. The financial statements of the Company and its subsidiary has been combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

B. Profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full.
C. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
D. The difference between the proceeds from disposal of investment in subsidiary and the carrying amount of its assets less liabilities as on the date of disposal is recognised in the Consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.
E. Non Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
F. Non Controlling Interest's share of net assets of consolidated subsidiary is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.
G. Investment in Joint Venture has been accounted under the equity method as per Ind AS 28 - Investments in Associates and Joint Ventures.

Equity method

Under the equity method, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of other comprehensive income of the investee. Dividends from joint venture are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Company and its joint venture are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments is tested for impairment in accordance with the policy.

Investment in Subsidiaries and Joint venture

Investment in subsidiary and Joint venture are carried at cost. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary and joint venture, the difference between net disposal proceeds and carrying amounts are recognised in Statement of Profit and Loss.

For further details please refer to the section titled "*Financial Information*" on page 169 of this Red Herring Prospectus.

Principal Components of Revenue and Expenditure

Our revenue and expenditure are reported in the following manner:

Revenue

Our revenue consists of revenue from operations and other income.

Revenue from Operations

Our revenue from operations mainly consists of revenue from the sale of goods, service charges, other operating revenues, processing of scrap and other items.

Other Income

Our other income primarily consists of income from interest on fixed deposit interest rates ("**FDR**") liability written back, provisions no longer required written back and miscellaneous income.

Expenses

Our expenses consist of purchases of stock-in-trade, employee benefit expenses, finance costs, depreciation & amortization expenses and other expenses.

Purchases of Stock-in-Trade

Our cost of purchases of stock-in-trade consists of the various materials we procure for and on behalf of our customers. Some examples include crude oil, coal, pipes and tubes, iron ore etc.

Employee Benefit Expenses

Our employee benefit expenses include salaries and wages including bonus, contribution to provident fund, and staff welfare expenses.

Finance Costs

Our finance costs mainly include interest on short-term borrowings and interest paid to customers.

Depreciation and Amortization

Our depreciation expenses accounts for the depreciation of property, plant and equipment, including freehold buildings, furniture and fixtures, vehicles and amortisation of intangible assets.

Other Expenses

Our other expenses consist primarily of written off bad debts, allowance for bad and doubtful advances/debts, cost of services through outside agency and equipment rental, bank charges, rent, repairs and maintenance, traveling expenses, and other administrative expenses.

Tax Expenses

Our tax expenses consist of current tax and deferred tax expenses.

Our Results of Operations

The following table sets forth a breakdown of our consolidated results of operations and each item as a percentage of our total revenue for the periods indicated.

(In ₹ million)

	For half year period ended on September 30, 2018		**Fiscal 2018**		**Fiscal 2017**		**Fiscal 2016**	
	Amount (₹ in million)	**(% of total revenue/ expenses)**	**Amount (₹ in million)**	**(% of total revenue/ expenses)**	**Amount (₹ in million)**	**(% of total revenue/ expenses)**	**Amount (₹ in million)**	**(% of total revenue/ expenses)**
Revenue								
Revenue from operations	14,769.12	99.02%	22,654.00	81.11%	17,392.20	92.70%	32,251.60	97.50%
Other Income	146.38	0.98%	5,277.50	18.89%	1,369.80	7.30%	826.40	2.50%
Total Revenue	**14,915.50**	**100.00%**	**27,931.50**	**100.00%**	**18,762.00**	**100.00%**	**33,078.00**	**100.00%**
Expenses								

	For half year period ended on September 30, 2018		Fiscal 2018		Fiscal 2017		Fiscal 2016	
	Amount (₹ in million)	(% of total revenue/ expenses)	Amount (₹ in million)	(% of total revenue/ expenses)	Amount (₹ in million)	(% of total revenue/ expenses)	Amount (₹ in million)	(% of total revenue/ expenses)
Purchases of Stock-in-Trade/Operational Consumables & Spares	11,070.94	74.22%	15,192.80	54.39%	12,826.10	68.36%	25,909.80	78.33%
Changes in stock of finished goods, work-in-progress and stock-in-trade	-	-	707.40	2.53%	-554.50	-2.96%	1,315.40	3.98%
Employee benefit expense	787.40	5.28%	2,114.90	7.57%	1,491.50	7.95%	1,401.30	4.24%
Finance costs	334.58	2.24%	673.60	2.41%	677.20	3.61%	973.80	2.94%
Depreciation and amortisation expense	63.75	0.43%	123.90	0.45%	121.30	0.65%	116.10	0.35%
Other expenses	2,244.28	15.05%	8,771.31	31.40%	2,367.30	12.62%	5,301.00	16.03%
Total expenses	**14,500.95**	**97.22%**	**27,583.91**	**98.75%**	**16,928.90**	**90.23%**	**35,017.40**	**105.87%**
Profit before exceptional items and tax	414.55	2.78%	347.59	1.25%	1,833.10	9.77%	(1,939.40)	-5.87%
Exceptional Items	0.00	0.00%	0.00	0.00%	0.50	0.00%	4.00	0.01%
Profit before share of profit/(loss) of Joint Ventures and tax	**414.55**	**2.78%**	**347.59**	**1.25%**	**1,832.60**	**9.77%**	**(1,943.40)**	**-5.88%**
Share of profit/(loss) of Joint Ventures	**(9.85)**	**(0.07)%**	**(13.10)**	**(0.05)%**	**(4.70)**	**(0.03)%**	**-**	**0.00%**
Profit before tax	**404.70**	**2.71%**	**334.49**	**1.20%**	**1,827.90**	**9.74%**	**(1,943.40)**	**-5.88%**
Tax expense								
(i) Current tax	393.50	2.64%	53.26	0.19%	451.00	2.40%	610.00	1.84%
(ii) Deferred tax expense / (credit)	170.04	1.14%	346.04	1.24%	-14.60	-0.08%	-82.40	-0.25%
Total tax expense	**563.54**	**3.78%**	**399.30**	**1.43%**	**436.40**	**2.32%**	**527.60**	**1.59%**
Profit for the period	**(158.84)**	**(1.07)%**	**(64.81)**	**(0.23)%**	**1,391.50**	**7.42%**	**(2,471.00)**	**(7.47)%**
Other comprehensive income								
(i) Items that will not be reclassified to profit or loss	56.73	0.38%	(30.80)	(0.11)%	(87.80)	(0.47)%	(286.50)	(0.87)%
(ii) Income tax on above	(19.82)	-0.13%	(2.10)	(0.01)%	30.40	0.16%	99.10	0.30%

	For half year period ended on September 30, 2018		Fiscal 2018		Fiscal 2017		Fiscal 2016	
	Amount (₹ in million)	**(% of total revenue/ expenses)**	**Amount (₹ in million)**	**(% of total revenue/ expenses)**	**Amount (₹ in million)**	**(% of total revenue/ expenses)**	**Amount (₹ in million)**	**(% of total revenue/ expenses)**
Share of Other Comprehensive Income of Joint Venture	-	-	(0.20)	0.00%	-	-	-	-
Total comprehensive income for the period	**(121.93)**	**(0.82)%**	**(97.91)**	**(0.35)%**	**1,334.10**	**7.11%**	**(2,658.40)**	**(8.04)%**

The following table shows our earnings before interest, tax, depreciation and amortization ("**EBITDA**") for the periods indicated:

	For half year period ended on September 30, 2018		Fiscal 2018		Fiscal 2017		Fiscal 2016	
	Amount (₹ in million)	**(% of total revenue)**	**Amount (₹ in million)**	**(% of total revenue)**	**Amount (₹ in million)**	**(% of total revenue)**	**Amount (₹ in million)**	**(% of total revenue)**
EBITDA	803.03	5.38%	1,131.99	4.05%	2,626.40	13.99%	(853.50)	(2.58)%

Half year period ended on September 30, 2018

Revenue

Our total revenue was ₹ 14,915.50 million for half year period ended on September 30, 2018, consisting of:

- Revenue from Operations: Our revenue from operations was ₹ 14,769.12 million for half year period ended on September 30, 2018. It consisted of sale of goods of ₹ 10,952.14 million, service charges earned of ₹ 1,425.85 million, processing of scrap and other items of ₹ 1,742.36 million and other operating revenues of ₹ 647.52 million.

- Other Income: Our other income of ₹ 146.38 million for the half year period ended on September 30, 2018 primarily consisted of interest earned on FDR amounting to ₹ 134.92 million and miscellaneous income of ₹ 8.05 million.

Expenses

Our total expenditure was ₹ 14,500.95 million for the half year period ended on September 30, 2018, consisting of:

- Purchases of Stock-in-Trade/Operational Consumables & Spares: Our cost of purchases of stock-in-trade/operational consumables & spares was ₹ 11,070.94 million for the half year period ended on September 30, 2018, primarily consisting of the purchase of stock in trade, including coke coal and pipes and tubes, of ₹ 10,834.97 million and diesel and gasoline of ₹ 146.17 million.

- Employee Benefits Expenses: Our employee benefit expenses were ₹ 787.40 million for the half year period ended on September 30, 2018 primarily due to salary and wages amounting to ₹ 646.57 million, staff welfare expenses of ₹ 68.42 million and Provident Fund expenses of ₹ 72.41 million.

- Finance Costs: Our finance costs were ₹ 334.58 million for the half year period ended on September 30, 2018, representing mainly interest on short term borrowings of ₹ 99.19 million and interest paid to customers of ₹ 235.04 million.

- Depreciation and Amortization: Our depreciation and amortization expenses of ₹ 63.75 million for the half year period ended on September 30, 2018 consist of depreciation on property, plant and equipment of ₹ 60.87 million and impairment loss of intangible assets of ₹ 2.87 million.

- Other Expenses: Our other expenses were ₹ 2,244.28 million for the half year period ended on September 30, 2018, primarily consisting of expenses related to allowance for bad and doubtful advances of ₹ 1,285.65 million, and costs of services through outside agencies and equipment rental of ₹ 669.33 million, bank charges of ₹ 63.18 million and repairs and maintenance of ₹ 42.90 million.

Tax Expenses

Our tax expense was ₹ 563.54 million for the half year period ended on September 30, 2018 comprised of ₹ 393.50 million as current tax and ₹ 170.04 million as deferred tax.

Profit/Loss after Tax

Due to the factors mentioned above, our loss after tax was ₹ 158.84 million for the half year period ended on September 30, 2018.

Fiscal 2018 compared to Fiscal 2017

Revenue

Our total revenue increased to ₹ 27,931.50 million in Fiscal 2018 from ₹ 18,762 million in Fiscal 2017, which was an increase by 48.87% due to the reasons described below:

- Revenue from Operations: Our revenue from operations increased by 30.25% to ₹ 22,654.00 million in Fiscal 2018 from ₹ 17,392.20 million in Fiscal 2017. This increase was primarily due to the following:

  - *Sale of goods*: The income from sale of goods increased by 30.93% from ₹ 11,955 million in Fiscal 2017 to ₹ 15,652.40 million in Fiscal 2018. The said increase was mainly due to the sale of pipes which was a new introduction in our trading segment coupled with enhanced sale of coal to power utility companies, which enhanced our trading volume and consequently the income from sale of goods.

  - *Service charges*: The income from service charges increased by 35.91% from ₹ 2,028 million in Fiscal 2017 to ₹ 2,756.20 million in Fiscal 2018 due to a steady increase in the volume of e-commerce and marketing transactions. This increase is primarily due to an increase in e-commerce service charges by 16.32% from ₹ 1,559.80 million in Fiscal 2017 to ₹ 1,814.40 million in Fiscal 2018 and increase in trading services charges by 101.15% from ₹ 468.20 million in Fiscal 2017 to ₹ 941.80 million in Fiscal 2018. The increase in service charges from the trading transactions are mainly due to the introduction of our new model of 110% bank guarantee backed procurement; and increase in the business with other customers.

  - *Processing of scrap and other items*: The income from processing of scrap and other items increased marginally by 2.75% from ₹ 3,086.00 million in Fiscal 2017 to ₹ 3,171.00 million in Fiscal 2018, primarily due to the increase in the generation of scrap.

  - *Other operating revenues*: The other operating revenue increased by 246.82% from ₹ 303.90 million in Fiscal 2017 to ₹ 1,054.00 million in Fiscal 2018. This is due to: (i) an increase in interest from customers of ₹ 724.88 million due to an increase in the transactions under facilitator mode, backed by bank guarantee, (ii) an increase in transaction fees of ₹ 13.29 million as our Company started collecting transaction fees from the seller in our e-procurement sub-vertical and (iii) the fees collected from the users registering on our e-auction platform increased by ₹ 13.79 million.

- Other Income: Our other income increased by 285.28% to ₹ 5,277.50 million in Fiscal 2018 from ₹ 1369.80 million in Fiscal 2017. The increase was mainly on account of liability toward old creditors amounting to ₹

281.70 million written back and existing provisions worth ₹ 4,718.20 million were written back as they were no longer required.

Expenses

Our total expenditure increased by 62.94% to ₹ 27,583.91 million in Fiscal 2018 from ₹ 16,928.9 million in Fiscal 2017, due to the factors described below:

- Purchases of Stock-in-Trade/Operational Consumables & Spares: Our cost of purchases of stock-in-trade/ operational consumables & spares increased by 18.45% to ₹ 15,192.8 million in Fiscal 2018 from ₹ 12,826.10 million in Fiscal 2017. This increase was primarily due to an increase in the purchase of stock-in-trade by ₹ 2,364.90 million on account of an increased business volume in our trading segment.

- Employee Benefits Expenses: Our employee benefits expenses increased by 41.80% to ₹ 2,114.90 million in Fiscal 2018 from ₹ 1,491.50 million in Fiscal 2017. This increase was mainly due to revisions in the wages of our employees with effect from January 1, 2017. The impact of this revision in Fiscal 2016-17 was only for three (3) months as compared to twelve (12) months in Fiscal 2017-18. Further as per Gazette Notification S.O 1420(E) dated March 29, 2018, the ceiling of gratuity has been increased from ₹ 1 million to ₹ 2 million resulting into a total impact of ₹ 249.10 million in Fiscal 2017-18 as a one-time provision for past services. Additionally, an increase in the pay of our executive employees due to pay correction with effect from April 1, 1999 led to an impact of ₹ 157.40 Million in Fiscal 2017-18.

- Finance Costs: Our finance costs marginally decreased by 0.53% to ₹ 673.60 million in Fiscal 2018 from ₹ 677.20 million in Fiscal 2017 due to decrease in the interest on short term borrowings by ₹ 307.50 million which was offset by an increase in the interest paid to customers by ₹ 304.50 in Fiscal 2018.

- Depreciation and Amortization: Our depreciation and amortization expenses marginally increased by 2.14% to ₹ 123.90 million in Fiscal 2018 from ₹ 121.30 million in Fiscal 2017. This marginal increase was primarily due to an increase in the amortization of intangible assets by ₹ 5.30 million, which was partially offset by a decrease in the depreciation of tangible assets by ₹ 2.70 million.

- Other Expenses: Our other expenses increased by 270.52% to ₹ 8,771.31 million in Fiscal 2018 from ₹ 2,367.30 million in Fiscal 2017. This increase was primarily due to: (i) bad debts written off worth of ₹ 4,594.10 million and (ii) an allowance for other bad and doubtful advances and debts of ₹ 2,225.11 million in Fiscal 2018.

Tax Expense: Our tax expense decreased by 8.50% to ₹ 399.30 million in Fiscal 2018 from ₹ 436.40 million in Fiscal 2017 on account of decreases in current tax expense by ₹ 397.74 million. However, the deferred tax expense increased by ₹ 360.64 million**.**

Profit/Loss after Tax: Due to the factors mentioned above, our Company incurred a loss after tax of ₹ 64.81 million in Fiscal 2018 compared to the profit after tax of ₹ 1,391.50 million in Fiscal 2017.

Total Comprehensive Income for the Period: Our total comprehensive loss was ₹ 97.91 million for the Fiscal 2018 as compared to a total comprehensive income for the year of ₹ 1,334.10 million for the Fiscal 2017

Fiscal 2017 Compared to Fiscal 2016

Revenue

Our total revenue decreased to ₹18,762.00 million in Fiscal 2017 from ₹ 33,078.00 million in Fiscal 2016, which was a decrease by 43.28%, due to the reasons described below:

- Revenue from Operations: Our revenue from operations decreased by 46.07% to ₹ 17,392.20 million in Fiscal 2017 from ₹ 32,251.60 million in Fiscal 2016. This decrease was primarily due to the following:

  - *Sale of goods*: The income from sale of goods decreased by ₹ 14,993 million, primarily due to a sharp decline in our sale of thermal coal.

- *Service charges*: The income from service charges increased by 33.49% from ₹ 1,519.20 million in Fiscal 2016 to ₹ 2,028.00 million in Fiscal 2017, primarily due to an increase in our volume of e-commerce business. The business volume also increased under the trading vertical mainly on account of an increase in business with our existing customers and introduction of business done in facilitator mode, backed by bank guarantee.

- *Other operating revenues*: The other operating revenue decreased by 32.21% from ₹ 448.30 million in Fiscal 2016 to ₹ 303.90 million in Fiscal 2017. There was an unusual income pursuant to an invocation of performance guarantee of one of our suppliers during Fiscal 2016.

- *Processing of scrap and other items*: The income from processing of scrap and other items declined by 6.94% from ₹ 3,316.00 million in Fiscal 2016 to ₹ 3,086.00 million in Fiscal 2017 due to a decreased generation of scrap.

- Other Income: Our other income increased by 65.76% to ₹ 1,369.80 million in Fiscal 2017 from ₹ 826.40 million in Fiscal 2016. The increase was mainly on account of existing provisions worth ₹ 890.90 million being written back as they were no longer required.

Expenses

Our total expenditure decreased by 51.66% to ₹ 16,928.90 million in Fiscal 2017 from ₹ 35,017.40 million in Fiscal 2016, due to the factors described below:

- Purchases of Stock-in-Trade: Our cost of purchases of and changes in stock-in-trade decreased by 50.50% to ₹ 12,826.10 million in Fiscal 2017 from ₹ 25,909.80 million in Fiscal 2016. This decrease was primarily due to a decrease in the volume of trading business.

- Employee Benefits Expenses: Our employee benefit expenses increased by 6.44% to ₹ 1,491.50 million in Fiscal 2017 from ₹ 1,401.30 million in Fiscal 2016. This increase was primarily due to revision of wages of employees with effect from January 1, 2017 onward.

- Finance Costs: Our finance costs decreased by 30.46% to ₹ 677.20 million in Fiscal 2017 from ₹ 973.80 million in Fiscal 2016. This decrease was due to a decrease in the interest on short term borrowings by ₹ 278.90 million and a decrease in the interest paid to customers by ₹17.60 million.

- Depreciation and Amortization: Our depreciation and amortization expenses increased by 4.48% to ₹ 121.30 million in Fiscal 2017 from ₹ 116.10 million in Fiscal 2016. This increase was due to an increase in depreciation of tangible assets by ₹ 5.20 million.

- Other Expenses: Our other expenses decreased by 55.34% to ₹ 2,367.30 million in Fiscal 2017 from ₹ 5,301.00 million in Fiscal 2016. This decrease was primarily due to a decrease in allowance for bad and doubtful advances and debts by ₹ 3,274.60 million in Fiscal 2017.

Tax Expense: Our tax expense decreased by 17.29% to ₹ 436.40 million in Fiscal 2017 from ₹ 527.60 million in Fiscal 2016 on account of decrease in in current tax expense by ₹ 159 million. However, the deferred tax expense increased by ₹ 67.80 million**.**

Profit/Loss after Tax: Due to the factors mentioned above, our Company made a profit of ₹ 1,391.50 million in Fiscal 2017 compared to a loss of ₹ 2,471.00 million in Fiscal 2016.

Total Comprehensive Income for the Period: Our total comprehensive income for the year was ₹ 1,334.10 million for the Fiscal 2017 as compared to a total comprehensive loss for the year of ₹ 2,658.40 million for the Fiscal 2016.

Liquidity and Capital Resources

Our primary liquidity requirements have been towards our working capital requirements. We have met these requirements from cash flows from operations and borrowings. We expect to meet our working capital requirements primarily from the cash flows of our business operations and bank borrowings.

As of September 30, 2018, we had ₹ 1,112.22 million in cash on our balance sheet.

The table below summarizes our cash flows from our restated financial information of cash flows for the half year period ended on September 30, 2018, Fiscal 2018, Fiscal 2017, and Fiscal 2016.

(In ₹ million)

	For half year period ended on September 30, 2018	Fiscal 2018	Fiscal 2017	Fiscal 2016
Net cash (used in) / generated from operating activities	5,234.89	947.60	(5,193.84)	2,233.34
Net cash (used in) / generated from investing activities	(247.40)	105.00	3,771.60	3,051.30
Net cash (used in) / generated from financing activities	(3,594.28)	(944.40)	120.40	(3,510.80)

Operating Activities

Half year period ended on September 30, 2018

Net cash from operating activities in the half year period ended on September 30, 2018 was ₹ 5,234.89 million and our operating profit before working capital changes for such period was ₹ 1952.94 million. The difference was primarily attributable to decrease in trade and other receivables of ₹ 3341.81 million. This was partially offset by decrease in provisions of ₹ 220.51 million. Taxes paid during the half year period ended on September 30, 2018 was ₹ 227.32 million.

Fiscal 2018

Net cash from operating activities in Fiscal 2018 was ₹ 947.60 million and our operating profit before working capital changes for such period was ₹ 2,683.50 million. The difference was primarily attributable to an increase in trade and other receivables of ₹ 2,905.93 million, increase in other assets of ₹ 36.00 million. This was partially offset by an increase in trade payables and other financial liabilities of ₹ 895.90 million and increase in other liabilities of ₹ 120.09 million. Taxes paid for Fiscal 2018 was ₹ 466.60 million.

Fiscal 2017

Net cash used in operating activities in Fiscal 2017 was ₹ 5,193.84 million and our operating profit before working capital changes for such period was ₹ 1,855.10 million. The difference was primarily attributable to increase in trade and other receivables of ₹ 9031.18 million, increase in inventories of ₹ 552.20 million. This was partially offset by increase in trade payables and other financial liabilities of ₹ 3,140.44 million. Taxes paid for Fiscal 2017 was ₹ 532.80 million.

Fiscal 2016

Net cash from operating activities in Fiscal 2016 was ₹ 2,233.34 million and our operating profit before working capital changes for such period was ₹ 1,914.60 million. The difference was primarily attributable to decrease in trade and other receivables of ₹ 8,398.66 million, decrease in inventories of ₹ 1,322.88 million. This was primarily offset by decrease in trade payables and other financial liabilities of ₹ 8,862.10 million. Taxes paid for Fiscal 2016 was ₹ 732.50 million.

Investing Activities

For half year period ended on September 30, 2018

Net cash used in investing activities was ₹ 247.40 million in the half year period ended on September 30, 2018. This was primarily due to investment in fixed deposits of ₹ 239.33 million and payment for property, plants and equipment of ₹ 193.11 million and was primarily offset by interest received of ₹ 134.92 million.

Fiscal 2018

Net cash generated from investing activities was ₹105.00 million in the Fiscal 2018. This was primarily due to proceeds from redemption of fixed deposits ₹ 196.60 million and interest income received of ₹ 208.20 million, which was primarily offset by payment for property, plant and equipment of ₹ 262.90 million and investments in our joint venture of ₹ 61.70 million.

Fiscal 2017

Net cash generated from investing activities was ₹ 3,771.60 million in the Fiscal 2017. This was primarily due to proceeds from redemption of fixed deposits of ₹ 3,525.30 million and interest income received of ₹ 421.70 million, which was primarily offset by payment for property, plant and equipment of ₹ 193.80 million and investments in our joint venture of ₹ 26.30 million.

Fiscal 2016

Net cash generated from investing activities was ₹ 3,051.30 million in the Fiscal 2016. This was primarily due to proceeds from redemption of fixed deposits of ₹ 2,472.10 million and interest income received of ₹ 713.90 million, which was primarily offset by payment for property, plant and equipment of ₹ 140.00 million.

Financing Activities

For half year period ended on September 30, 2018

Net cash used in financing activities in the half year period ended on September 30, 2018 was ₹ 3,594.28 million, consisting mainly of payment of short-term borrowings of ₹ 2,999.22 million, interest paid of ₹ 334.58 million, and dividends paid of ₹ 260.48 million.

Fiscal 2018

Net cash used in financing activities was ₹ 944.40 million in Fiscal 2018, consisting mainly of payment of interest paid of ₹ 673.90 million, dividends paid of ₹ 249.90 million and taxes on dividends paid of ₹ 50.90 million which was partially offset by proceeds from short term borrowings of ₹ 30.30 million.

Fiscal 2017

Net cash generated from financing activities was ₹ 120.40 million in Fiscal 2017, consisting mainly of proceeds from short term borrowings of ₹ 1,217.10 million which was partially offset by interest paid of ₹ 676.20 million, dividends paid of ₹ 347.60 million and taxes on dividends paid of ₹ 72.90 million.

Fiscal 2016

Net cash used in financing activities was ₹ 3,510.80 million in Fiscal 2016, consisting mainly of payment of short term borrowings of ₹ 2,305.50 million and payment of interest of ₹ 973.80 million.

Related Party Transactions

Related party transactions with certain of our directors and employees primarily relate to remuneration as well as transaction with our joint venture and our subsidiary. For further details of such related parties under "*Financial Statements*" on page 215 of this Red Herring Prospectus.

Contingent Liabilities

Our contingent liabilities as at ₹ 2,968.20 million are set out below:

(In ₹ million)

Contingent Liability	As of September 30, 2018
Sales Tax & Customs	365.23
Money Suits	1,420.56
Arbitration	3.02
Income Tax	65.42
Service Tax	970.28
Claims Against the Company Not Acknowledged as Debts	6.14
Outstanding Bank Guarantees	137.56

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Capital and Other Commitments

As of September 30, 2018, we had contractual obligations of the following amounts, for a total of ₹ 226.04 million:

Construction of new office building at New Town Kolkata: ₹ 101.47 million.

Executed on capital account and not provided for (net of advances): ₹ 124.57 million.

Secured and Unsecured Borrowings

As of September 30, 2018, the total outstanding secured borrowing is ₹ 1,583.23 million and unsecured borrowing is ₹ 1,436.20 million.

Capital Expenditures

Our capital expenditures primarily relate to the purchase of fixed assets such as freehold buildings, office equipment, office air conditioners, furniture and fixtures, office partition and cubicles equipment, plant and equipment, vehicles, and intangible assets such as computer software.

Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk Management

We are exposed to interest rate risk resulting from fluctuations in interest rates. Most of our long-term borrowings from banks and financial institutions are floating rate obligations linked to the applicable benchmark rates, which may typically be adjusted at certain intervals in accordance with prevailing interest rates.

Foreign Currency risk management

The foreign currency exposure of the Company is due to import liabilities. Transactions are on back to back basis with customers. The gain and loss if any is passed on to the customers. Sometimes forward cover is taken to hedge the related foreign currency exposure in terms of discussion with the customers. Wherever foreign exchange fluctuations are to be borne by the customers as per agreement with them, foreign exchange gain/ loss are not recognized in the books of our Company.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. We have adopted a policy of only dealing with creditworthy counterparties, where appropriate, as a means of mitigating the risk of financial loss from defaults. We only transact with entities that are rated by agencies where available and if not available, the Group uses other publicly available financial information and its own past records to rate its major customers. Our exposure and the credit ratings of our counterparties are monitored and the aggregated value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the senior management committee.

Liquidity risk management

Our Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liablities

Unusual or infrequent events or transactions

Except as described in sections titled "*Risk Factors*" and "*Our Business*", on pages 25 and 117 of this Red Herring Prospectus, respectively, to our knowledge, there have been no events or transactions to our knowledge which may be described as "unusual" or "infrequent".

Significant economic changes

Except as disclosed in this Red Herring Prospectus, there have been no significant economic changes that have materially affected our business.

Known trends or uncertainties

Except as disclosed in this Red Herring Prospectus, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on the revenues or income of our Company from continuing operations.

Future relationships between costs and income

Except as disclosed in this Red Herring Prospectus, to our knowledge there are no known factors which will have a material adverse impact on the operations or finances of our Company.

New product or business segments

Other than as described in this Red Herring Prospectus there are no new products or business segments that have a significant impact on our business prospects, results of operations or financial condition.

Significant dependence on single or few customers

In our e-commerce line of business, we derive a high proportion of our revenues from government and government-controlled entities. The revenues generated from the contracts awarded to us by the government and government-controlled entities constitute 90.58%, 90.49%, 96.53% and 98.58% of our total income from e-commerce vertifical for the half year period ended on September 30, 2018 and Fiscals 2018, 2017 and 2016, respectively.

A significant portion of our revenue from our trading line of business comes from few customers. Our top three customers in our trading line of business contributed 93.38%, 68.33%, 67.51% and 71.30% of our total revenue from the trading line of business for the half year period ended on September 30, 2018 and Fiscals 2018, 2017 and 2016, respectively.

Total turnover of each major industry segment

In terms of Ind-AS 108, our Company has identified (i) trading, (ii) e-commerce and (iii) scrap recovery and allied activities as its three primary reportable business segments. For further details, refer to the section titled "*Financial Statements*" on page 169 of this Red Herring Prospectus.

Seasonality

We do not believe our business to be seasonal.

Competitive conditions

We expect competition to intensify from existing and potential competitors. Please refer to the section titled "*Industry Overview*", "*Our Business*" and "*Risk Factors*" on pages 90, 117 and 25 of this Red Herring Prospectus, respectively for further information on our industry and competition.

Significant developments after September 30, 2018 that may affect our future results of operations

In the opinion of our Board, except as otherwise disclosed in this Red Herring Prospectus, there has not arisen any circumstances subsequent to September 30, 2018, which materially and adversely affects, or is likely to affect, our operations or profitability, or the value of our assets, or our ability to pay our material liabilities within the next twelve (12) months.

SECTION VII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no other outstanding: (a) criminal proceedings; (b) material civil proceedings which are determined to be material as per a policy adopted by our Board, (c) actions taken by statutory/ regulatory authorities; and (d) tax proceedings including direct and indirect proceedings; involving our Company, Directors, and Subsidiary company (the "**Relevant Parties**"). Our Board, in its meeting held on January 11, 2019, adopted a policy on identification of material litigations and material creditors ("**Materiality Policy**").*

For the purpose of (b) above, our Board in its meeting held on January 11, 2019, has considered and adopted a policy of materiality for identification of material litigation involving the Relevant Parties and Group Company.

(1) In terms of the Materiality Policy, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions taken by regulatory authorities and statutory authorities and tax proceedings, would be considered 'material' if:

(a) the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of 1% of the net worth of our Company i.e., ₹ 36.62 million as per the Restated Financial Statements of our Company for the Financial Year 2017-2018; or

(b) the monetary liability is not quantifiable, however, the outcome of any such pending proceedings may have a bearing on the business, operations, performance, prospects or reputation of our Company.

There are no outstanding litigation involving our Group Company which have a material impact on our Company.

Further, except as stated in this section, there are no outstanding dues to material creditors and micro, small and medium enterprises. The disclosure will be based on information available with our Company regarding status of the creditors as defined under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006 as amended.

As per the Materiality Policy, outstanding dues to creditors in excess of 5 % of the total consolidated trade payables to creditors as per the Restated Financial Statements of our Company as at March 31, 2018 are to be considered as material outstanding dues. Accordingly, the threshold for material dues would be 5% of the total consolidated trade payables to creditors as at March 31, 2018 i.e. ₹ 1,302.04 million of ₹ 26,040.84 million. For ease of disclosure, our Board has determined the consolidated trade payables to creditors in excess of ₹ 1,302.04 million to be material dues and the same has been accordingly disclosed in this section. Further, all outstanding dues to creditors have been disclosed in a consolidated manner in this section. Details of material outstanding dues to creditors and details of outstanding dues to micro, small and medium enterprises and other creditors are disclosed on our website at www.mstcindia.co.in.

It is clarified that pre-litigation notices received by our Company, our Subsidiary, Directors and our Group Company from third parties (excluding those notices issued by statutory/regulatory/tax authorities or notices threatening criminal action and under Insolvency and Bankruptcy Code, 2016 as amended) shall, unless otherwise decided by the Board, not be evaluated for materiality until such time that litigation proceedings arising out of such notices are initiated before any judicial forum.

Unless stated to the contrary, the information provided below is as of the date of this Red Herring Prospectus. All terms defined in a particular litigation are for that particular litigation only.

Litigation involving our Company

I. **Litigations against our Company**

(a) Criminal Proceedings

There are ten criminal cases pending against our Company, details of which are as follows:

1. A criminal revision petition bearing no. 2349 of 2016 has been filed under Section 482 of the CrPC before the High Court at Calcutta by Shailendra Kumar Tamotia ("**Petitioner**") against the State of West Bengal and our Company ("**Opposite Parties**"). Our Company had filed a complaint on June 23, 2014 before the Judicial Magistrate, 3rd Court at Alipore, ("**Judicial Magistrate**") against Jai Balaji Industries Limited and its directors including the Petitioner and seven (7) other persons ("**Accused**") alleging the commission of offences punishable under Section 138 and 141 of the NI Act for dishonour of two cheques aggregating to ₹ 23.62 million by the Accused. Vide an order dated March 25, 2015, the Judicial Magistrate had directed the initiation of proceedings under Section 138 and 141 of the NI Act against the Accused ("**First Order**"). Thereafter, the Petitioner had filed a criminal motion before the Additional District & Sessions Judge, Fast Track, 2nd Court, Alipore ("**ADJ**") challenging the First Order. The ADJ vide an order dated March 30, 2016 ("**Impugned Order**") dismissed the criminal motion and affirmed the First Order. In the present petition, the Petitioner has prayed that, *inter alia*, the Opposite Parties be called upon to show cause as to why the Impugned Order should not be quashed. The matter is presently pending.

2. A criminal revision petition bearing no. 607 of 2018 under Section 482 of the CrPC has been filed before the High Court at Calcutta by Bipin Kumar Vohra and others against the State of Bengal, our Company and SPS Steels Rolling Mills Limited for quashing of the G.R Case No.193/2018 ("**Said Case")**. The Said Case was filed by our Company against SPS Steels Rolling Mills Limited and its directors which include Bipin Kumar Vohra and others and arises out of a complaint filed by our Company against incidents of wrongful removal/theft of pledged materials. The Said Case is pending before the Court of the Additional Chief Judicial Magistrate, Durgapur, West Bengal. An interim order of stay of the proceedings in the said case has been granted by the High Court at Calcutta. The matter is presently pending.

3. A criminal miscellaneous application no. 4536 of 2014 has been filed before the High Court of Gujarat by Viral Mukund Shah, a director of Gyscoal Alloys Limited ("**Petitioner**") against the State of Gujarat and Surya for quashing of the FIR No. CR/17/2014 dated March 14, 2014 ("**FIR**"). The FIR was registered by our Company against the Petitioner in relation to the illegal removal of pledged materials and the offences of cheating and criminal breach of trust pursuant to the tripartite agreement dated November 14, 2006 entered into between the Petitioner, our Company and Transafe Services Limited whereunder our Company facilitated the purchase of ferro and stainless steel scrap for and on account of the Petitioner. The matter is presently pending.

4. A criminal petition bearing no. 7274 of 2011 has been filed before the High Court of Karnataka by the Additional General Manager, Bharat Heavy Electricals Limited, Chennai ("**Petitioner**") against the Regional Transport Officer, Hospet, Karnataka ("**RTO**"), S. Murlikrishna and our Company. The matter relates to the alleged non-registration of a 50 seater used bus ("**Vehicle**") purchased by S. Murlikrishna through an auction conducted by our Company on behalf of the Petitioner. The RTO had registered a criminal complaint against the Petitioner on the basis of which a chargesheet was filed. In the present petition, the Petitioner has prayed for quashing the said chargesheet. The matter is presently pending.

5. Two appeals bearing M.A.T No. 1252 of 2016 and MAT No. 1253 of 2016 ("**Appeals**") have been filed before the High Court at Calcutta ("**High Court**") by Pradip Mondal ("**Appellant**"), an employee of our Company, against the orders dated June 09, 2016 ("**Impugned Orders**") passed in the writ petition bearing no. 2991 (W) of 2016 with C.A.N. no. 4169 of 2016 and writ petition bearing no. 15850 of 2015 with C.A.N. no. 3167 of 2016 ("**Writ Petitions**") respectively. The Writ Petitions were filed by the Appellant before the High Court against our Company and others challenging the purported findings of the internal complaints committee of our Company against the Appellant under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Conduct, Discipline and Appeal Rules, 1980 of our Company. Vide the Impugned Orders, the High Court had dismissed the Writ Petitions. In the Appeals, the Appellant has prayed for recalling and/or amending of the Impugned Orders. The matters are presently pending.

6. A case no. MPID 1/2011 has been filed by the Government of Maharashtra ("**State Government**") before the Court of Additional Sessions Judge and Designated Court, Raigad, Alibaug ("**MPID Court**") wherein the State Government has invoked the provisions of Maharashtra Protection of Interests of Depositors (in Financial Establishments) Act, 1999 ("**MPID Act**") against Pen Co-operative Urban Bank Limited ("**Pen Bank**") and attached the properties situated in District Raigad in

relation to the alleged misappropriation of an amount of ₹ 7,528.10 million in the Pen Bank. The State Government had also appointed the Sub-divisional Officer, Alibaug ("**SDO**") as a competent authority to administer the said attached properties. The SDO on January 20, 2014 approached the MPID Court and made an application under Section 5(3) of the MPID Act for the confirmation of attachment of the said properties which was permitted by the MPID Court vide its order dated February 17, 2012 ("**Attachment Order**"). The said attached properties also include the properties mortgaged in favour of our Company by Ushma Jewellery and Packaging Exports Private Limited to secure the outstanding dues payable to our Company by it. In view of the same, our Company had filed an application before the MPID Court challenging the application filed by the SDO and praying for recalling of the Attachment Order. However, the application filed by our Company was rejected by the MPID Court. Our Company had filed an appeal ("**Appeal**") in the High Court at Bombay for setting aside the order for rejection of the application of our Company and for a stay on the operation of the Attachment Order. The High Court at Bombay, *inter alia*, directed our Company to raise its objection before the MPID Court. Our Company has filed an application under Section 5(3) of the MPID Act and the same is pending for hearing.

7. Two petitions for special leave to appeal bearing (crl) no. 8717 and 8718 of 2017 ("**SLPs**") have been filed before the Supreme Court of India by the Directorate of Enforcement and another ("**Petitioners**") against Himanshu Vasantrai Kothari, our Company and others ("**Defendants**") arising out of the common final judgement and order dated October 07, 2016 ("**Impugned Order**") passed by the High Court at Bombay in criminal writ petition bearing no. 962 of 2015, criminal application no. 133 of 2015, criminal application no. 364 of 2015 and criminal writ petition no. 1390 of 2016 by which the High Court at Bombay is alleged to have erroneously allowed the criminal writ petition filed by the Respondent No. 1 and Respondent No. 2 and others in respect of the provisionally attached properties vested in the Central Government as per the provisions of the PMLA. According to the Petitioners, the High Court at Bombay by the Impugned Order directed the Petitioner to release and handover the attached properties to the Sub-Divisional Officer, Pen, District Raigad, Maharashtra ("**Competent Authority**") appointed by the Government of Maharashtra under Section 5(1) of the Maharashtra Protection of Interests of Depositors (in Financial Establishments) Act, 1999. It is contended by the Petitioner in the SLPs that the High Court at Bombay had allegedly failed to appreciate the mandate provided under the PMLA and also pre-maturely released the properties involved in the offence of money laundering as the investigation against many members of the Board of the Directors of the Pen Co-operative Urban Bank Limited ("**Pen Bank**") is presently ongoing. The original registration deeds relating to the land that were, *inter alia,* attached by the Petitioners under the PMLA were handed over to a legal services firm for Pen Bank for the purpose of offering the same as collateral security in favour of our Company on behalf of Ushma Jewellery & Packaging Exports Private Limited, one of the associate suppliers of gold jewellery to our Company for import of gold jewellery undertaken by our Company during the Financial Years 2007-2008 and 2008-2009. Our Company had filed a criminal petition claiming that the immovable properties attached by the Petitioners vide provisional attachment order dated May 26, 2014 ("**Order**") were allegedly mortgaged in favour of our Company and prayed for a stay on the operation of the Order. The High Court at Bombay had passed an order, in our criminal petition, aggrieved by which, the SLPs have been filed by the Petitioner. The matter is currently pending.

8. A case bearing no. PMLA SPL CASE No. /0100020/2018 has been filed by the Enforcement Directorate, Mumbai ("**ED**") before the 16th Additional Session Judge, Mumbai ("**Judge**") against our Company ('**Accused No. 1**') through its and former Chairman and Managing Director and our present Chairman and Managing Director ("**CMD**"), its former Chairman and Managing Director ('**Accused No. 2**') and seventeen others (collectively, referred to the "**Accused Persons**") arising out of the export of gold jewellery undertaken by our Company during the financial years 2007-08 and 2008-09, praying for the Judge to take cognizance of the alleged offences of money laundering against the Accused Persons. Our Company has contended that our Company and our present CMD had no role to play in commission of the alleged offences since at the time when the offences are alleged to have been committed, our present CMD was not in the service of our Company. The amount involved in respect of the proceeds of the alleged crime in the case amount to ₹ 4,883.01 million. Further our Company has filed an application dated December 27, 2018 under section 8 of the PMLA for recovery of money seized by the ED from the bank accounts of the other Accused Persons and has submitted that the Company is victim of the alleged crime. The matter is presently pending.

(b) Civil Proceedings

Our Company has been made a respondent in various writ petitions, civil suits and other proceedings initiated before various courts and other forums. The disputes are, *inter-alia,* in connection with various issues arising out of the bidding/e-auction process such as prevention from lifting the materials bid for, non-issuance of delivery orders, alleged technical glitches and/or errors in the technological framework of our auction portal, policies and schemes of the state governments and the GoI, imposition of various taxes, terms and conditions, eligibility criteria for participation in bids, selection of our Company for conducting auctions, etc. All these disputes are primarily between the principals(s) on behalf of whom our Company conducts the e-auctions and the stakeholders(s) participating in such e-auctions and the amount involved in the above matters are either not ascertainable or the amount involved/claimed is below the materiality thresholds determined as per our Materiality Policy for identification of material litigations. Further, there exist certain matters which may be interconnected with one another, or arising out of the same or connected causes of action, and the actual amount claimed may differ based on the outcome of such proceedings. As of the date of this Red Herring Prospectus, there are various proceedings pending before the courts and other forums. Brief descriptions of the material litigations which involve an amount in excess of ₹ 36.62 million are provided below:

1. A civil suit bearing no. 236 of 2009 has been filed before the High Court of Calcutta by Sesa International Limited ("**Plaintiff**") against our Company and Indian Overseas Bank ("**IOB**") (collectively, the "**Defendants**"). Our Company had entered into a memorandum of agreement dated November 21, 2006 and subsequent amendments (collectively, the "**MoA**") whereunder our Company had facilitated the purchase of diverse steel items by the Plaintiff from the foreign suppliers by endorsing the purchase orders placed by the Plaintiff and by opening letter(s) of credit ("**LCs**") from time to time in favour of the foreign sellers subject to the agreed terms, conditions and the indemnities in favour of our Company as set out in the MoA. The disputes arose with regard to negotiations of the LCs and IOB having rejected the LCs citing documentary discrepancies and denied any obligation to release payments under these LCs. Under orders of the foreign court where the banker of the seller initiated proceedings against IOB, payments against the LCs were released by IOB and the account of our Company maintained with IOB was debited with a sum of ₹ 141.26 million. In the present suit, the Plaintiff has prayed for, *inter alia*, an injunction restraining the Defendants from claiming any amount from the Petitioner or foisting any liability upon the Plaintiff in respect of the payment made for the concerned LCs and for the appointment of a receiver to take possession and sell the imported goods received. The matter is presently pending.

2. A petition bearing arbitration petition no. 180 of 2010 has been filed before the High Court at Calcutta under Section 34 of the Arbitration and Conciliation Act, 1996 by Reliance Silicones India Private Limited ("**Petitioner**") praying, *inter alia*, for setting aside of the interim award dated November 25, 2009 ("**Interim Award**") passed by the sole arbitrator wherein a sum of ₹ 57.00 million was awarded to our Company. The dispute arises out of the agreement dated July 11, 2002 entered into between the Petitioner and our Company and subsequent letter of intent for the purpose of importing diverse quantities of volatile cyclic mixture. The Petitioner has alleged, *inter alia*, that the sole arbitrator should not have passed the Interim Award without first deciding certain issues, and that the same was passed without appreciating certain material facts submitted by the Petitioner. The matter is presently pending.

3. **Litigations filed by Gemini Iron & Metal Company and Exporters of W.A.**

    a) There are ten civil revision petitions out of which four civil revision petitions bearing nos. 2540, 2541, 2553, 2554 of 2018 have been filed by Gemini Iron and Metal Company and six civil revision petitions bearing nos. 2544, 2545, 2546, 2548, 2549 and 2550 of 2018 have been filed by Exporter of W.A. (Gemini Iron and Metal Company and Exporter of W.A., collectively referred to as "**Petitioners**") against our Company before the High Court at Calcutta aggrieved by the Orders dated November 16, 2016 and May 4,2018 passed by the Civil Judge (Senior Division), 8th Court at Alipore, South 24 Parganas in the ten title execution cases filed by the Petitioners before the said Court, which have been disclosed hereinbelow. Our Company is contesting the present civil revision cases. The matters are presently pending.

    b) There are ten title execution cases out of which four execution cases bearing nos. 6979 of 2012, 6982 of 2012, 10750 of 2012, 10753 of 2012 have been filed by Gemini Iron and Metal Company ("**Petitioner 1**") and six title execution cases bearing nos. 6985 of 2012, 9161 of 2012, 12505 of 2012, 12507 of 2012, 12508 of 2012 and 12509 of 2012 have been filed by Exporters of W.A.

(“**Petitioner 2**”) (Petitioner 1 and Petitioner 2 are collectively referred to as “**Petitioners**”) arising out of arbitral awards before the Court of the District Judge at Alipore for recalling/modification/reconsideration of an order dated November 16, 2016 and May 4, 2018 passed by the Civil Judge (Senior Division), 8th Court at Alipore in the title execution case nos. 6979 of 2012, 6982 of 2012, 10750 of 2012, 10753 of 2012, 6985 of 2012, 9161 of 2012, 12505 of 2012, 12507 of 2012, 12508 of 2012 and 12509 of 2012 arising out of title suit nos. 72 of 2001, 76 of 2001, 73 of 2001, 78 of 2001, 84 of 2001, 73 of 2001, 79 of 2001, 80 of 2001, 81 of 2001 and 82 of 2001 whereby the Court had upheld the objections raised by our Company in regard to the invalidity of the authority of the Petitioners to file the Title Suits and the Execution cases aforesaid. Our Company disputed the validity of the claims of the Petitioners. The disputes relate to global tenders floated by our Company inviting offers for supply of stainless steel melting scraps (“**Material**”) to our Company, for which the Petitioners were adjudged the successful bidders in the tenders. Pursuant to the said tenders and subsequent agreements entered into between our Company and the Petitioners, the Petitioners were to supply certain quantities of Material at various agreed rates. Disputes and differences arose between the Petitioners and our Company in relation to performance of the said agreements, which were referred to arbitration. The arbitral awards were all passed against our Company. The pending disputes involve an alleged amount aggregating to ₹ 33.25 million claimed by the Petitioners excluding disputed interests also claimed thereon since March 23, 1999 when the arbitral awards were passed.

4. A civil suit bearing no. 111 of 2014 has been filed by Indo Arya Central Transport Limited (“**Petitioner**”) before the High Court at Calcutta against our Company in respect of lease-hold land which was acquired by our Company from the authorities of the Calcutta Port Trust at Haldia in respect whereof, the Petitioner was subsequently inducted as a sub-lessee under our Company on the basis of the highest bid quoted by the Petitioner in the tender dated October 04, 2010 floated by our Company for selection of sub-lessee. The Petitioner has filed the suit praying for a declaration that the sub-lease agreement entered into between the Petitioner and our Company is that of a monthly tenancy in respect of the demised premises, for delivery of repossession to our Company, decree for an amount aggregating to ₹ 8.61 million plus interest until realisation and a decree for damages assessed at ₹ 58.65 million. The matter is currently pending

5. Arbitration Petition no. 630 of 2018 (“**Petition**”) has been filed before the High Court at Calcutta, under Section 34 of the Arbitration and Conciliation Act, 1996, by Krishna Coke (India) Private Limited (“**Petitioner**”). The Petitioner has prayed for, *inter alia*, setting aside of the arbitral award dated June 05, 2018 passed by the sole arbitrator in the arbitration proceedings between our Company and the Petitioner vide which the Petitioner was directed to pay a sum of ₹ 148.33 million with interest to our Company. The matter is presently pending.

6. An application bearing misc. case no. (ARB) 22 of 2018 has been filed before the Court of the 11th Additional District Judge, Alipore under Section 34 of the Arbitration and Conciliation Act, 1996 by Meherkiran Enterprises Limited (“**Applicant**”) for setting aside of the arbitral award dated May 08, 2018 (“**Award**”) passed by the sole arbitrator, in the arbitration proceedings initiated by our Company against the Applicant. In terms of the Award, the Applicant was directed to pay our Company a sum of ₹ 921.69 million towards settlement of the claim made by our Company against the Applicant for the alleged breach of the terms of the agreement dated July 20, 2012 entered into between our Company and the Applicant for the purpose of facilitating the import of coking coal from foreign seller. The matter is presently pending.

7. A writ petition bearing no. 9234 of 2015 has been filed before the High Court of Orissa by Suraj Kumar Sahu (“**Petitioner**”) against the State of Orissa (“**State**”), the Commissioner of Excise, Odisha, our Company and the branch head of our Company (Vishakhapatnam). The Petitioner has challenged the selection of our Company by the State and the memorandum of understanding dated January 31, 2015 (“**MoU**”) executed between the State and our Company in relation to conducting e-auction for settlement of exclusive privileges for grant of Indian made foreign liquor shops on behalf of the State. The Petitioner has prayed for, *inter alia,* a writ for setting aside the MoU. The matter is presently pending.

8. An appeal bearing no. FAO CARB 8 of 2018 has been filed before the High Court of Punjab and Haryana by Haryana Power Generation Corporation Limited (“**Appellant**”) against our Company, Adani Enterprises Limited (“**AEL**”) and H.L. Bajaj (“**Sole Arbitrator**”) (collectively, the

"**Respondents**") under Section 37 of the Arbitration and Conciliation Act, 1996. AEL and our Company had entered into an associate supplier agreement dated November 04, 2011 whereunder AEL was to supply imported coal to the employer subject to certain agreed conditions. The dispute arose when the Appellant alleged failure in meeting the agreed parameters in the material supplied and rejected 30 rakes. Being aggrieved by the actions of the Appellant, the Respondents initiated arbitration proceeding against the Appellant. Vide an award dated December 19, 2014 ("**Award**"), the sole arbitrator, *inter alia*, awarded an amount of ₹ 633.05 million, to be paid by the Appellant towards wrongful rejection of 27 rakes. The Appellant had filed its objections before the Additional District Judge, Special Commercial Court at Gurgaon ("**ADJ**") and prayed for setting aside the Award. However, vide an order dated January 05, 2018 ("**Impugned Order**") the ADJ had rejected the objections of the Appellant. In the present appeal the Appellant has prayed, *inter alia*, for setting aside the Impugned Order and the Award. The matter is presently pending.

9. **Litigations filed by Pen Co-operative Urban Bank Limited**

a) A special civil suit bearing no. 499 of 2012 has been filed before the Civil Court Senior Division, Panvel by Pen Co-operative Urban Bank Limited ("**Plaintiff**") against Shailesh Chandrakant Deshpande ("**Defendant 1**"), Shishir Prabhakar Dharkar ("**Defendant 2**"), Purushottam Vasant Joshi ('**Defendant 3**"), our Company and nine others ("**Defendants**"). The Plaintiff has claimed that certain properties situated in District Raigad, which were mortgaged in favour of our Company by Defendant 1 and others ("**Mortgagors**"), were allegedly purchased in the name of the Mortgagors by the Defendant 2 and Defendant 3 being the former director and chief executive officer of the Plaintiff, respectively, and some of the staff members of the Plaintiff, by siphoning off funds from the Plaintiff and misappropriating the amount of the depositors. The Plaintiff has prayed, *inter alia*, for the Court to declare that the Plaintiff is the owner of the aforementioned properties, that our Company is not having any right on the said properties, cancellation of the entry of equitable mortgage or the creation of the right on the mortgage, and declaring the mortgage created in favour of our Company by Defendant 1 and others on the said properties as null and void. The matter is presently pending.

b) A special civil suit bearing no. 1 of 2016 has been filed before the Court of the Civil Judge, Senior Division, at Alibaug by Pen Co-operative Urban Bank Limited ("**Plaintiff**") against our Company ("**Defendant 1**"), Shishir Prabhakar Dharkar ("**Defendant 2**"), Purushottam Vasant Joshi ('**Defendant 3**"), Pradeep Krishna Mhatre ("**Defendant 4**"), Space Mercantile Company Private Limited ("**Defendant 5**") and Ushma Jewellery and Packaging Exporters Private Limited ("**Defendant 6**"). The Plaintiff has claimed that Defendant 2 was the Director and the Chairman of the Plaintiff as well as the Director of the Defendant 5, Defendant 3 was the chief executive officer and Defendant 4 was the manager at the Vile Parle branch of the Plaintiff. The Plaintiff has alleged that the Defendants 2, 3 and 4 had credited, through allegedly bogus accounts by misusing their power and post, fixed deposit receipts of ₹ 1,000 million in the name of our Company as additional security against the amounts due and payable by Defendant 5 and Defendant 6 to our Company allegedly paid as interest by the Plaintiff on the fixed deposits. The Plaintiff has further alleged that an amount of ₹ 129.45 million has been paid as interest on the allegedly bogus fixed deposits issued to our Company ("**Interest Amount**"). In the suit, the Plaintiff has prayed for recovery of the Interest Amount from our Company along with interest. The matter is presently pending.

c) Six R.T.S appeals bearing nos. 120 of 2014, 121 of 2014, 409 of 2017, 410 of 2017, 411 of 2017, 412 of 2017 have been filed before the Sub-divisional Officer Court, Panvel by the Pen Co-operative Urban Bank Limited ("**Appellant**") against various respondents including our Company. Certain properties situated in District Raigad were mutated, vide various entry nos. in the name of our Company pursuant to equitable mortgages created by the Respondents by deposit of title deeds to our Company to secure the amount of ₹ 1,034.64 million due and payable to be paid by Ushma Jewellery & Packaging Exports Private Limited to our Company. The Appellant has alleged that such properties were purchased in the name of Respondents by some of the directors including the chairman and some of the staff members of the Appellant by siphoning funds from the Appellant and misappropriating the amount of the depositors. In the original appeals, the Appellant had prayed for the cancellation of the mutation entries. In the present appeals, the Appellant has prayed for, *inter alia*, calling for the records and proceedings of the original appeals and cancellation of the aforesaid mutation entry. The matters are presently pending.

10. An original application bearing no. 43 of 2012 has been filed in the Debt Recovery Tribunal No. 1 at Mumbai under Section 19 of the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 by Standard Chartered Bank ("**Applicant**") against our Company. The Applicant alleges that a sum of ₹ 1,910.35 million stands due and payable by our Company to the Applicant in terms of the receivables purchase agreement dated August 29, 2008 ("**RPA**") entered into between our Company and the Applicant whereby the debts/receivables from the overseas buyers to be received by our Company in respect of the invoices raised on the said buyers by our Company for the goods sold/exported to them by our Company were purchased by the Applicant as per the terms and conditions set out in the RPA. The Applicant has prayed, *inter alia*, for a money decree and a recovery certificate issued in favour of the Applicant against our Company to pay the Applicant a sum of ₹ 1,910.35 million along with interest. The matter is presently pending.

11. A recovery proceeding application bearing no. 214 of 2017 ("**Application**") has been filed before the Recovery Officer, Debt Recovery Tribunal, Mumbai ("**DRT**") by Standard Chartered Bank ("**SCB**") under the Recovery of Debts due to Banks and Financial Institutions Act, 1993 against our Company. SCB had earlier filed an interim application bearing no. 302 of 2017 ("**Interim Application**") in the original application no. 43 of 2012 filed by SCB against our Company. Vide an order dated September 16, 2017 ("**Order**") the DRT had directed our Company to pay an amount of ₹ 2,225.10 million ("**Amount**") to SCB. Subsequently, SCB was granted a recovery certificate for recovery of the Amount on the basis of which SCB has filed the Application. In the Application, SCB has prayed for attachment of the cash and cash equivalents, and trade receivables of our Company to the extent of amount allegedly payable by our Company in terms of the Order, and for directions to the bankers of our Company to forthwith debit the amount in favour of SCB. Vide an order dated May 21, 2018, the immovable properties of our Company have been attached. The matter is presently pending.

12. A special civil suit bearing no. 177 of 2012 has been filed before the Court of Civil Judge, Senior Division at Panvel by State Trading Corporation of India ("**Plaintiff**") against our Company ("**Defendant 1**"), Central Warehousing Corporation of India Limited ("**Defendant 2**"), Conros Steel Private Limited ("**Defendant 3**") and Transafe Services Limited ("**Defendant 4**"). The dispute is between our Company and the Plaintiff in relation to the ownership of 127 HR Coils ("**Subject Goods**") lying under physical control of Defendant 3. The Plaintiff has alleged that the Subject Goods have been allegedly pledged in favour of the Plaintiff by the Defendant 3 pursuant to a stock pledge agreement dated September 23, 2010. The Plaintiff has prayed for, *inter alia*, an order of permanent injunction restraining our Company from removing/alienating the Subject Goods during the pendency of the hearing. Our Company is contesting the claims of the Plaintiff. The matter is presently pending.

13. Arbitration proceedings were initiated by Mittal Continental Hospitality Private Limited ("**Claimant**") against the Additional Commissioner of Customs, Mumbai ("**AC**") and our Company ("**Respondents**"). The Claimant was the successful bidder for the confiscated goods ("**Subject Goods**") for which the e-auction was conducted by our Company on behalf of the AC. The dispute relates to the alleged non-issuance of delivery order by the Respondents thereby preventing the Claimant from taking delivery of the Subject Goods. The Claimant has prayed for a sum of ₹ 1,611.20 million as payable by the Respondents for the alleged non-delivery of Subject Goods. The matter is presently pending.

14. A civil miscellaneous writ petition bearing no. 48618 of 2013 ("**Petition**") has been filed before the High Court at Allahabad by Y.S. Contractor and Sudha Chauhan ("**Petitioners**") against Union of India through the Ministry of Steel, our Company and the Chairman and Managing Director of Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited ("**UPRVUNL**") (collectively, the "**Respondents**"). The matter relates to a contract to dismantle the structure of old power plant situated at Hariduaganj, Kasimpur, Aligarh for a cost of ₹ 272.68 million which was awarded to the Petitioners, being the highest bidder, through an auction, conducted by our Company for UPRVUNL. The acceptance letter was issued to the Petitioners in terms of which the Petitioners were required to pay the amount of ₹ 272.68 million in two equal instalments ("**Installments**"). The dispute arose when UPRVUNL proceeded to impose a penalty at the rate of 1% on the Installments, on the grounds of delay committed by the Petitioners. The Petitioners allege that the said penalty amounting to ₹ 51.81 million was paid in protest by Yashpal Singh Chauhan, the husband of Sudha Chauhan who had since died after the contract was awarded. The Petitioners alleged that they had sent several reminders and letters to the Respondents seeking

refund of the penalty paid under protest. In the Petition, the Petitioners have prayed, *inter alia*, for a writ of mandamus directing our Company to refund the penalty amount of ₹ 51.81 million along with interest. The matter is presently pending.

15. A writ petition bearing no. 21135 of 2004 has been filed before the High Court of Madras by Sujana Metal Products Limited ("**SMPL**") (*formerly known as Sujana Steels Limited*) against our Company, Union of India through the Ministry of Steel and S.J.K. Steel Corporation Limited ("**SJKSCL**") (collectively, as "**Respondents**"). SMPL claims that it had entered into a tripartite agreement dated March 16, 1996 with our Company and SJKSCL ("**Agreement**") whereby our Company had supplied 19,500 MT of shredded scrap to the Petitioner for an amount of ₹ 179.13 million ("**Purchase Amount**"). SMPL further claims that our Company and SJKSCL had also entered into a memorandum of understanding ("**MoU**") which was also mentioned in the Agreement. Out of the Purchase Amount, the Petitioner had issued cheques for a sum of ₹ 150 million to SJKSCL, on behalf of our Company, being the equity participation of our Company in SJKSCL in terms of the MoU. In the present petition, SMPL has prayed for a writ of mandamus declaring the action of our Company for not taking equity participation in SJKSCL as arbitrary, illegal and consequently, directing our Company to take equity participation in SJKSCL. The matter is presently pending.

16. A company petition bearing no.124 of 2003 has been filed before the High Court at Kolkata by Dipak Bhattacharya ("**Petitioner**") against our Company. The Petitioner has claimed that our Company owes a sum of ₹ 7.00 million ("**Claim Amount**") towards settlement of legal services provided by the Petitioner to our Company, which we have disputed. The Petitioner has alleged that our Company has failed and neglected to pay the abovementioned amount to the Petitioner despite repeated demands and requests. In the present petition the Petitioner has prayed for, *inter alia*, winding up of our Company and for recovery of the Claim Amount of the Petitioner out of the assets of our Company. The matter is presently pending.

(c) Actions by Statutory and Regulatory Authorities

Nil

(d) Tax proceedings

Direct Tax proceedings

S. No.	Type of Direct Tax	Number of cases	Approximate amount in dispute / demanded (in ₹ million)
1.	Income Tax	8	241.55
Total		**8**	**241.55**

Indirect Tax proceedings

S. No.	Type of Indirect Tax	Number of cases	Approximate amount in dispute/ demanded (in ₹ million)
1.	Customs	5	124.45
2.	Service Tax	3	158.51
3.	Sales Tax / VAT	17	236.13
4.	Central Excise	Nil	Nil
5.	Goods & Service Tax	Nil	Nil
Total		**25**	**519.09**

**Approximate amount in dispute includes penalty and applicable interest.*

II. **Litigations by our Company**

(a) Criminal Complaints

There are thirty seven criminal cases filed by our Company which are presently pending, details of which are as follows:

1. Our Company has filed 30 criminal complaints before various forums, praying for the taking of cognizance and issuing of process in relation to offences under section 138 and 141 of the NI Act i.e., dishonor of cheques issued by third parties to our Company. The aggregate amount involved in these matters is approximately ₹ 1,701.98 million. These matters are presently pending at various stages of adjudication.

2. Our Company had filed an FIR under various sections of the IPC at Connaught Place, New Delhi against Naushad Ali, proprietor of Mars Traders ("**Accused**"), on the basis of which a criminal complaint bearing no. 44678/2016 has been filed before the Court of Metropolitan Magistrate, Patiala House Court, New Delhi by the State of NCT, Delhi ('**State**") against the Accused, accusing him of forging RBI's stamp on the Military Receivable Order ("**MRO**") dated March 07, 2003 without making the requisite payment of ₹ 3.56 million to RBI against the MRO, and taking delivery of material such as iron, ferrous and non-ferrous scrap from the Field Supply Depot, Srinagar ("**FSD**") and 2 Field Ordinance Depot, Srinagar ("**2FOD**") which were sold in an auction held by our Company on behalf of FSD and 2FOD. The matter is presently pending.

3. Our Company filed a criminal revision petition bearing C.R.R. No. 3911/2015 before the High Court at Calcutta under Section 482 of the CrPC for setting aside of the order dated August 29, 2015 passed by the Additional District Judge ("**ADJ**"), Fast Track Court, Kolkata, whereby the ADJ had, *inter alia*, rejected the revision of and confirmed the order dated January 09, 2015 of the Additional Chief Metropolitan Magistrate vide which the complaint in connection with case no. C-119/2014 filed by our Company against Ajit Kumar Mundra and Sanjay Kumar Mundra directors of Maheshwary Ispat Limited ("**MIL**") was rejected. In the said case, our Company had accused MIL of cheating, fraudulent removal of goods and properties and criminal breach of trust in respect of pledged goods and misappropriation of ₹ 60 million released by our Company in favour of Orissa Mining Corporation Limited in terms of the agreement dated October 17, 2007 entered into between our Company and MIL. The matter is presently pending.

4. Our Company has filed a complaint bearing ICC Case no. 64 of 2018 before the Court of Chandikhol, Odisha against Krishna Coke (India) Private Limited ("**KCIPL**") and certain of its directors and other officers ("**Accused Persons**"). The matter arises out of the alleged breach of the memorandum of agreement dated April 17, 2010 and the subsequent amendment agreements thereto entered into between the Company and KCIPL ("**Agreement**") wherein the Company had agreed to procure coking coal, hard coking coal, low ash metallurgical coke and other items for and on account of KCIPL. Our Company has prayed before the Court to take cognizance of offences punishable under Sections 378, 403, 406, 420, 421, 441, 477A, 120B read with Section 34 of the IPC against the accused person arising out of the breach of the Agreement. The matter is presently pending.

5. Our Company has filed a criminal case bearing no. 163/16 (FIR no. 59/12) in the Khalapur Court against Conros Steel Private Limited and others ("**Accused**"). Our Company had supplied HR coils to the Accused pursuant to a memorandum of agreement dated May 26, 2010 and further corresponding agreements for procurement or import of HR coils, HR slits, scrap, zinc, sponge iron and other items from international and / or indigenous sources. Such HR coils pledged in favour of our Company. Since the Accused had allegedly defaulted in making the payments, our Company had tried to shift the pledged HR coils from the factory premises of the Accused, which was objected to by the officials of Accused. Our Company had registered FIR no. 59/12 with the Khalapur police station under Section 420 of the IPC since the Accused had not allowed our Company to shift the pledged material. After investigation, officials of Conros were arrested. The matter is presently pending.

6. Our Company has filed a complaint bearing no. 143/5 of 2003 before the Court of Additional Chief Metropolitan Magistrate, Esplanade, Mumbai against Singhal Swaroop Ispat Limited ("**SSIL**") and 9 others ("**Accused Persons**") alleging failure to pay the outstanding amount of ₹ 19.08 million due and payable by SSIL on account of purchase of 3000 MT of imported steel melting scrap/waste (shredded scrap for remelting), on high seas basis from our Company. Our Company has prayed before the Court for initiation of proceedings against the Accused persons and to summon and try the Accused Persons for having continued the offence punishable under various sections of the IPC. Our Company has also prayed for the recovery of the aforementioned amount of ₹ 19.08 million along with compensation. The matter is presently pending.

7. Our Company has filed a criminal case bearing no. SW/2/2004 before the Court of Additional Chief Metropolitan Magistrate, Esplanade, Mumbai against Firth India Steel Company Limited ("**FISCL**") and 13 others ("**Accused Persons**") alleging failure to pay the outstanding amount of ₹ 36.07 million along with an interest due and payable by FISCL on account of purchase of 2500 MT of imported carbon melting scrap from our Company. Our Company has prayed for before the court to initiate proceedings as against the Accused persons and to summon and try the Accused Persons for the continuation of the offence punishable under various sections of the IPC. Our Company has also prayed for the recovery of the aforementioned amount along with compensation. The matter is presently pending.

8. Our Company had filed a criminal complaint against Tirupati Fuels Private Limited and its directors (collectively, the "**Accused**") before Ballygunge police station alleging the wrongful removal and pilferage of goods valued at ₹ 36.5 million, which were pledged in favour of our Company, without the Accused having paid for the same. On the basis of the said complaint, the Ballygunge police station had registered a case bearing no. 43 of 2013 under Sections 120B, 406 and 420 of IPC. However, the Ballygunge police station had ended the investigation and filed a final report dated July 08, 2013, under Section 173 of CrPC, stating that the allegations made by our Company are civil in nature. Against the said final report, our company has filed narazi petition before the Chief Judicial Magistrate, Alipore, which is presently pending.

(b) Civil Proceedings

There exist few matters which may be overlapping with each other and the actual amount claimed may differ based on the outcome of such proceedings.

1. Our Company had filed Form 'B' dated January 10, 2018 with respect to its claimed operational debt in the company petition bearing no. (IB)/ 446/KB/2017 ("**Petition**") filed by Shyreeshyam Metaliks Private Limited in which the NCLT, Kolkata initiated corporate insolvency process against Concast Steel and Power Limited ("**Corporate Debtor**") vide its Order dated November 7, 2017. Thereafter, the NCLT, Kolkata Bench passed an order for liquidation of the Corporate Debtor vide its Order dated September 26, 2018. Accordingly, as mandated our Company has filed Form 'C' dated October 26, 2018 with respect to its claimed operational debt of ₹ 3258.70 million ("**Claim**") against the Corporate Debtor. In the abovementioned insolvency proceedings, our Company has also filed a company application no. 713 of 2018 ("**Application**") before NCLT, Kolkata against the resolution professional ("**RP**") appointed in the insolvency process of the Corporate Debtor, praying for the direction to the RP to recognize, accept and construe the Claim of our Company as a secured claim. The Petition and the Application are presently pending.

2. Our Company has filed 'Form B' with respect to its claimed operational debt of ₹ 1721.46 million as on August 03, 2017 in the company petition bearing no. (IB)/ 373/KB/2017 ("**Petition**") filed by State Bank of India against Adhunik Metaliks Limited ("**Corporate Debtor**") in which the NCLT, Kolkata Bench had initiated the corporate insolvency process against the said Corporate Debtor vide the Order dated August 03, 2017 ("**Order**"). Our Company had also filed an application ("**Application**") in the Company Petition praying that the financial facilities provided by our Company may be declared as "essential service" in terms of Section 14(2) of the IBC. The NCLT, Kolkata Bench passed an order on July 17 2018 ("**Impugned Order**") thereby dismissing the Application and approving the resolution plan submitted in the Company Petition ("**Resolution Plan**"). Our Company has filed an appeal before the NCLAT against the Impugned Order challenging the Resolution Plan.

   Our Company has also filed a company application bearing no. 1036 KB of 2018 before the NCLT, Kolkata Bench against the resolution professional in respect of the Corporate Debtor ("**RP**"), the Corporate Debtor and Grant Thornton India ("**Advisor**") (collectively, the "**Respondents**"). Our Company had entered into an agreement dated May 02, 2014 with Corporate Debtor in terms of which certain materials procured under the agreement were pledged in favour of our Company and could be redeemed by the Corporate Debtor upon payment of the requisite amount to our Company. In the present application, our Company has alleged that the RP and the Advisor have committed breach of their duties as the Corporate Debtor had removed the pledged materials in an unauthorized manner and causing a loss of ₹ 1,136.50 million to our Company. Our Company has prayed before the NCLT not to appoint the RP as the liquidator of the Corporate Debtor in the event the Corporate

Debtor is ordered to proceed for liquidation, and to direct the Corporate Debtor to intimate our Company at the time of filing for liquidation. The matters are presently pending.

3. Our Company has filed an appeal being Company Appeal (AT) (Insolvency) bearing no. 519 of 2018 before the NCLT against Adhunik Metalliks Limited ("**AML**") and others ("**Respondents**") against the order pronounced on July 17, 2018 by the National Company Law Tribunal at Kolkata aggrieved by, *inter alia*, the non-consideration by the resolution professional of the claims our Company with respect to raw materials worth of ₹ 1,136.50 million admittedly lying with AML under bailment/ pledge on account of our Company the present appeal was filed by our Company. The matter is presently pending.

4. Our Company has filed 'Form B' with respect to its claimed operational debt of an amount of ₹ 2,973.60 million as on December 22, 2017 in the company petition bearing no. (IB)/ 595/KB/2017 filed by Allahabad Bank against SPS Steels Rolling Mills Limited ("**Corporate Debtor**") in which the NCLT, Kolkata Bench had initiated corporate insolvency process against the Corporate Debtor vide its order dated December 22, 2017.

   Our Company has also filed a company application against the resolution professional and SPS Steels Rolling Mills Limited, praying for, *inter alia,* a confirmation of the status of our Company as a secured creditor, and a declaration of its updated claims of ₹ 3,004.40 million as on October 31, 2018 in terms of the agreement dated March 2, 2010 and an addendum dated August 25, 2017 being in priority to the claims of the financial creditors of the Corporate Debtor. The matter is presently pending for admission.

5. Our Company has filed 'Form B', with respect to its claimed operational debt of ₹ 357.98 million as on May 25, 2018, before the interim resolution professional in respect of the corporate fast track insolvency process against Global Coke Limited. The matter is presently pending.

6. Our Company had filed Form 'B' dated February 05, 2018 with respect to its claimed operational debt of ₹ 100.55 million in the company petition bearing no. 1561/I&BP/2017 ("**Petition**") filed by Punjab National Bank against Conros Steel Private Limited ("**Corporate Debtor**") in which the NCLT, Mumbai Bench had, vide the Order dated December 19, 2017, ordered for liquidation of the Corporate Debtor and appointed the interim resolution professional to carry out the proceedings. Pursuant to the abovementioned order, our Company has filed Form- 'C' dated September 19, 2018 with respect to its claimed operational debt of ₹ 108.14 million before the interim resolution professional. The matter is presently pending.

7. Our Company has filed an execution application bearing E.C. No. 77 of 2018 before the High Court at Calcutta ("**High Court**") against Indo American Electricals Limited ("**Judgement Debtor**"). A winding up petition was earlier filed before the High Court by our Company, under Section 433 and 434 of the Companies Act, 1956, citing inability of the Judgement Debtor to pay the sum of ₹ 20.5 million which was due and payable by the Judgement Debtor to our Company in terms of the agreement dated July 18, 2010 entered into between the Judgement Debtor and our Company for procurement on account of the Judgement Debtor, copper, copper rod, PVC compound, continuous cast copper wear rod etc. and an addendum agreement dated September 02, 2011 thereto. The winding up petition was permanently stayed vide an order dated February 10, 2014 passed by the High Court in view of the terms of settlement signed by the Judgement Debtor and our Company. Our Company was entitled to execute the order as money decree in the event of default by the Judgement Debtor to make payments as per the terms of settlement ("**Decree**"). However, the Judgement Debtor had failed to pay a sum of ₹ 119.23 million due and payable by the Judgement Debtor as per the terms of settlement. In the present application, our Company has prayed for, *inter alia*, attachment of properties of the Judgement Debtor, direction to the concerned officers of the Judgement Debtor to file an affidavit stating the assets of the Judgement Debtor and an order of injunction restraining the Judgement Debtor from disposing off its properties until the satisfaction of the Decree. The matter is presently pending.

8. **Litigations involving export of gold jewellery cases**

The Export Companies

Our Company had entered into various agreements during the period from the year 2007 to 2009 (individually referred to as **"MoA"** and collectively referred to as the **"Export Contracts"**) with certain companies viz. Ushma Jewellery and Packaging Exports Private Limited ("**UJEPL**"), Space Mercantile Company Private Limited ("**SMCPL**"), K.A. Malle Pharmaceuticals Limited ("**KAMPL**"), Joshi Bullion Gems and Jewellery Private Limited ("**Joshi Bullion**"), Bond Gems Private Limited ("**Bond Gems**") and Indo Bonito Multinational Limited ("**IBML**") ("collectively, the **Export Companies**"), whereunder our Company had agreed to provide certain facilities for procurement, supply, ship and realization of sale proceeds for export of gold jewellery and other allied products by the Export Companies to foreign buyers. However, during the course of time there were several foreign buyers who defaulted in payments on account of the export orders and the Export Companies failed to recover a substantial amount of receivables in terms of Export Contracts. As a result of this, our Company had initiated several legal proceedings, including arbitration, for recovery of such amount due and payable by the Export Companies on account of such Export Contracts.

Standard Chartered Bank

Our Company had also entered into a Receivable Purchase Agreement ("**RPA**") dated August 29, 2008 with Standard Chartered Bank ("**SCB**") whereunder SCB had agreed to purchase, at a discounted price, the debts/recoverable by our Company from the foreign buyers on account of exports made by our Company to such foreign buyers on behalf of the Export Companies. Further, our Company and SCB had jointly taken an insurance cover from ICICI Lombard General Insurance Company Limited ("**ICICI Lombard**") to insure the said debts/recoverable. However, due to failure of the Export Companies to recover the receivables due and payable by the foreign buyers, SCB had initiated recovery proceedings against our Company.

Pen Co-operative Urban Bank Limited

Two of the Export Companies namely UJEPL and SMPL had directed Pen Co-operative Urban Bank Limited ("**Pen Bank**") to issue certain fixed deposit receipts ("**FDRs**") and bank guarantees (**BGs**) in favour of our Company to secure the amount due and payable to our Company in terms of the Export Contracts. UJEPL had further also created an equitable mortgage in favour of our Company by depositing the title deeds of certain properties through third parties, to further secure its debts. However, the State of Maharashtra had invoked the provisions of Maharashtra Protection of Interest of Depositors Act ("**MPID Act**") against Pen Co-operative Urban Bank Limited ("**Pen Bank**") and attached the properties situated in District Raigad, which, *inter alia,* includes the properties mortgaged in favour of our Company by UJEPL in relation to the misappropriation of ₹ 7,528.10 million in the Pen Bank. Further, Pen Bank had initiated legal proceedings to cancel the mutations entries through which the above mentioned mortgaged properties were mutated in favour of our Company which has subsequently been challenged by our Company. Our Company had also initiated legal proceedings against Pen Bank for recovery of the amount due and payable by Pen Bank to our Company on account of the afore mentioned FDRs and BGs.

The following litigations have been filed by our Company in relation to the above said matters:

a) Our Company has filed a Title Suit no. 16 of 2012 ("**Title Suit**") against SCB and ICICI Lombard before the Court of the 1st Civil Judge Senior Division at Alipore. The Title Suit has been filed praying for, *inter alia*, a declaration that the purported conversion by SCB of the insured recoverables into a loan amount is illegal and that the relationship between our Company and SCB is not that of debtor and creditor in terms of the RPA. The matter is presently pending.

b) Our Company has filed an appeal bearing misc. appeal no. 70 of 2015 on February 27, 2015 before the Court of the District Judge at Alipore, against SCB and another, being aggrieved by and dissatisfied with the order dated January 09, 2014 passed by the Civil Judge, Senior Division at Alipore, pertaining to the rejection of the application filed by our Company for temporary injunction filed in the title suit no. 16 of 2012, on the operation of the purported letter dated March 10, 2012 issued by SCB to our Company in converting the insured receivables into a loan amount. The matter is presently pending.

c) Our Company has filed a suit bearing Money Suit No. 12 of 2013 before the Court of 1st Civil Judge (Senior Division), at Alipore, against SCB. It is the claim of our Company that SCB, having failed to recover the receivables due from the overseas buyers in terms of the RPA, had wrongfully appropriated our Company's fixed deposits worth ₹ 250 million maintained with SCB. In the present money suit, our Company has prayed for the recovery of the said sum of ₹ 250 million along with interest and other costs. The matter is presently pending.

d) Our Company has filed a writ petition bearing no. 1804 of 2017 before the High Court at Bombay against SCB. SCB had filed an original application bearing no. 43 of 2012 before the Debt recovery Tribunal Mumbai ("**DRT**"), for recovery of ₹ 1,910.35 million from our Company ("**DRT Application**"). Thereafter, our Company had filed an interim application praying for a stay on all the proceedings in the pending DRT Application which was rejected by the DRT vide its order dated September 26, 2013 ("**DRT Order**"). Aggrieved by the DRT Order, our Company had filed an appeal before the Debt Recovery Appellate Tribunal at Mumbai ("**DRAT**"). However, the DRAT vide its order dated February 03, 2017 ("**DRAT Order**") dismissed the appeal and, thereby, affirmed the DRT Order. In the present writ petition, our Company has prayed for, *inter alia*, a writ of mandamus and/or setting aside the DRAT Order and a stay on further hearing of the DRT Application. The matter is presently pending.

e) Our Company has filed a writ petition bearing no. 2765 of 2018 before the High Court at Bombay challenging the order dated April 21, 2018 passed by the Presiding Officer-1, DRT, Mumbai in miscellaneous application no. 11 of 2018 filed in the review application no. 1 of 2018 pursuant to the aforementioned original application no. 43 of 2012 filed by SCB in the Tribunal for recovery of ₹ 1,910.35 million from our Company. The aforementioned miscellaneous application was filed by our Company seeking condonation for delay of 28 days in filing the review application. The judgement for the said matter has been reserved by the High Court at Bombay. The matter is presently pending.

f) Arbitration proceedings were initiated by our Company against KAMPL relating to the claim of our Company for an award of a sum of ₹ 941.71 million along with an interest from KAMPL to recover the losses allegedly suffered by our Company on account of default in payments of several export orders which our Company was entitled to receive in terms of the MoA. The present arbitrator has resigned and new proceedings shall begin upon appointment of another arbitrator. The matter is presently pending.

g) Our Company has filed an application bearing no. 2558 of 2013 before the High Court at Bombay seeking permission of the High Court to intervene in the writ petition no. 3644 of 2011, presently pending for admission and an amendment in the said writ petition by including the name of our Company as a party respondent. The said writ petition, presently pending for admission, has been filed by Naren Vasudev Jadhav, Vishwanath Janardhan Sathe, Himanshu Vasantrai Kothari and Vinit Vaman Dev ("**Petitioners**") against Pen Bank and 19 others ("**Respondents**") alleging, *inter alia,* fraud, illegality and irregularities committed by the directors of Pen Co-operative Urban Bank Limited resulting in to the alleged misappropriation of funds. The matter is presently pending.

h) Our Company has filed a civil suit bearing no. 328/2013(COMS/107/2013) before the High Court at Bombay against Pen Bank, Chairman of Administrative Board of Pen Bank ("**Chairman**"), Administrative Board of Pen Bank ("**Board**"), RBI and UJPEPL (collectively, the "**Defendants**"). Our Company has claimed that UJPEPL had successively failed in making payments due and payable to our Company in terms of the MoA and that Pen Bank had also failed in renewing the FDRs upon their expiration and in paying interest due on such FDRs. In the present suit, our Company has prayed, *inter alia*, that Pen Bank along with the Chairman and the Board be ordered and decreed to jointly and/or severally pay to our Company a sum of ₹ 320 million under the BG issued by Pen Bank on behalf of UJPEPL and a sum of ₹ 520 million due under the FDRs. The matter is presently pending.

i) Our Company has filed a civil suit bearing no. 318/2013 (renumbered as COMS/9/2013) before the High Court at Bombay against Pen Bank, Chairman of Administrative Board of Pen Bank ("**Defendant 2**"), the Administrative Board of the Pen Bank ("**Defendant 3**"), the RBI ("**Defendant 4**") and SMCPL ("**Defendant 5**") praying that Pen Bank along with Defendant 2 and Defendant 3, as administrators of Pen Bank, be ordered and decreed by the Court to pay to our Company a sum of ₹ 300 million under the bank guarantee issued by Pen Bank and a sum of ₹ 480 million due under the fixed deposit receipts issue by the Pen Bank to our Company along with interest on the aggregate sum from the date of the suit till the date of such payment. The abovementioned bank guarantees and fixed deposit receipts were issued by the Pen Bank on behalf of Defendant 5 to secure the indebtedness of the Defendant 5 to our Company in terms of the MoA. The matter is presently pending.

j) Our Company has filed revision applications bearing no. 2893 and 2894 of 2016 before the Revenue Minister, Mumbai against the order dated March 09, 2015 passed by the Sub-divisional Officer Court, Panvel ("**SDO**") vide which the SDO had allowed the R.T.S. appeal bearing no. 120 of 2014 filed by Pen Bank against Shailesh C. Deshpande ("**Original Respondent 1**") and our Company ("**Original Respondent 2**") for cancellation of the mutation entry effected on January 03, 2011 by which charge of outstanding amounts due was created in favour of our Company in relation to various survey numbers in village Vichumbe, Taluka Panvel, District Raigad. Such properties were mutated in the name of our Company pursuant to an equitable mortgage created by the Original Respondent 1 by deposit of title deeds to secure the amount of ₹ 1,034.64 million due to be paid by UJPEPL to our Company. The matter is presently pending.

k) Our Company has filed an execution application no. 1502 of 2013 before the High Court at Bombay against Joshi Bullion. Arbitration proceedings were initiated by our Company for settlement of the dispute relating to default in payments due and payable by Joshi Bullion in terms of the MoA. The arbitration award was granted in favour of our Company. The present execution application has been filed for the execution of the aforesaid award and for the recovery of an amount of ₹ 733.30 million from Joshi Bullion. The matter is presently pending.

l) Our Company has filed an execution application bearing no. 1503 of 2013 before the High Court against SMCPL. Arbitration proceedings were initiated by our Company for settlement of the dispute relating to default in payments due and payable by SMCPL in terms of the MoA. The arbitration award was granted in favour of our Company. The present execution application has been filed for the execution of the aforesaid award and for recovery of ₹ 3,716.14 million from SMCPL. The matter is presently pending.

m) Our Company has filed an execution application bearing no. 1504 of 2013 before the High Court at Bombay against Bond Gems. Arbitration proceedings were initiated by our Company for settlement of the dispute relating to default in payments due and payable by the Judgement Debtor in terms of the Agreement. The arbitration award was granted in favour of our Company. The present execution application has been filed for execution of the aforesaid award and recovery of ₹ 237.81 million from Bond Gems. The matter is presently pending.

n) Our Company has filed a civil suit bearing no. 2123 of 2011 before the High Court at Bombay against UJPEPL ("**Defendant 1**") and others ("**Other Defendants**"). Our Company has claimed that the Defendant 1 owes a sum of ₹ 1,654.54 million to our Company in terms of the MoA. Further, upon request of UJPEPL, a guarantee was given by the Other Defendants to secure a sum of ₹ 1,379.88 million by creating an equitable mortgage in favour of our Company on the properties situated in the Raigad District, Maharashtra. The suit has been filed by our Company for enforcement of the obligation of the Other Defendants as guarantors and for an injunction against the Other Defendants not to deal with the mortgaged lands in any manner and for permission to sell the mortgaged lands for recovery of the dues of our Company. The matter is presently pending.

o) Our Company has filed an execution application bearing no. COMEXL/1811/2018 before the High Court at Bombay against UJPEPL. Arbitration proceedings were initiated by our Company when UJPEPL had failed to pay a sum of ₹ 1,379.88 million in terms of the MoA. The arbitration award dated March 02, 2018 was passed in favour of our Company and UJPEPL was directed to pay ₹ 1,381.86 million to our Company ("**Award**"). The execution application has been filed by our Company for the execution of the Award. The matter is presently pending.

p) Our Company has filed an execution application bearing no. 1452 of 2016 before the High Court at Bombay against Indo Bonito. Arbitration proceedings were initiated by our Company for settlement of the dispute relating to default in payments due and payable by Indo Bonito in terms of the MoA. Vide an award dated February 15, 2016 passed by the sole arbitrator Indo Bonito was directed to pay a sum of ₹ 745.19 million and other costs to our Company ("**Award**"). The present petition been filed for the execution of the Award. The matter is presently pending.

q) Our Company has filed its claim, under the revised mechanism for resolution of commercial disputes inter se CPSEs, issued by the Ministry of Heavy Industries & Public Enterprises, Department of Public Enterprises, GoI vide notification no. 4(1) / 2013 – BPE (GM)/FTS/1835 dated May 22, 2018 against the insurer, Export Credit Guarantee Corporation Limited ("**ECGC**"), another CPSE under the Ministry of Commerce, GoI aggrieved by the allegedly wrongful repudiation by ECGC of the insurance claims of our Company aggregating to ₹ 4,466.4 million under the export turnover policies of insurance issued by ECGC in favour of our Company in respect of exports of gold jewellery undertaken by our Company during the financial years 2007-08 and 2008-09. The export proceeds were insured by our Company under the export turnover policies issued by ECGC, *inter alia*, against payment failure of the overseas buyers to whom the goods were exported. The matter is currently pending.

9. Our Company has filed a winding up petition bearing C.P. No. 802 of 2013 before the High Court at Calcutta under Sections 433, 434 and 439 of the Companies Act, 1956 against Jai Balaji Industries Limited ("**Respondent**") praying for the winding up of the Respondent on the grounds of the alleged inability of the Respondent to pay a sum of ₹ 1,229.58 million due to our Company in terms of the agreement dated June 21, 2010 and subsequent amendments thereto ("**Agreement**") entered into between our Company and the Respondent. Under the Agreement, our Company had agreed to procure substantial quantity of material like LAM coke, high grade manganese ore, steel scrap etc. for and on account of the Respondent. The Court has adjourned the proceedings as the Respondent had reported that a reference pertaining to the Respondent had been registered with the Board of Industrial and Financial Reconstruction ("**BIFR**") under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 ("**SICA**") and the petition could not be carried forward without the leave of BIFR till such time as the reference remains pending. The matter is presently pending.

10. Our Company has filed a winding up petition bearing C.P. 203 of 2014 before the High Court at Calcutta under Sections 433, 434 and 439 of the Companies Act, 1956 praying for the winding up of Tirupati Fuels Private Limited ("**Respondent**") alleging the inability of the Respondent to pay a sum of ₹ 781.04 million due to our Company in terms of memorandum of agreement dated June 18, 2010 entered into between our Company and the Respondent whereunder our Company had facilitated the import and procurement of various consignments of coking coal to the Respondent. The matter is presently pending.

11. Our Company has filed an execution case bearing no. 20 of 2016 before the Court of the District Judge at Rajnandgaon for execution of the award dated September 14, 2015 ("**Award**") passed in favour of our Company by the sole arbitrator in the matter of arbitration proceedings initiated by the Company against Crest Steel and Power Private Limited ("**Judgement Debtor**"). The arbitration proceedings between the parties had arisen out of a memorandum of agreement dated October 26, 2009 between our Company and the Judgement Debtor for procurement of, and facilitation of the purchase of, iron ore, coal steel scrap, bloom etc. Vide the Award, the Judgement Debtor was directed to pay a sum of ₹ 432.31 million with interest to our Company. Our Company has filed the Petition praying for, *inter alia,* attachment of the properties of the Judgement Debtor and for permission to recover the same on the ground of the failure of the Judgement Debtor to pay the full amount as per the Award. The matter is currently pending.

12. Our Company has filed writ petition no. 8067 (W) of 2011 against the Union of India through the Secretary Ministry of Commerce & Industry, Director General of Foreign Trade, Ministry of Commerce and Industry, Zonal Joint Director General of Foreign Trade ("**Zonal JDGFT**"), Deputy General Director of Foreign Trade, Ministry of Commerce & Industry (collectively, the "**Respondent Authorities**"). Our Company had received certain export orders from a Dubai based foreign buyer qua our Company's customer, for export of non-alloy steel wire rod coil ("**Materials**") to its consignee(s) in Bangladesh. Our Company had procured the Materials from

Rashtriya Ispat Nigam Limited and exported the same after complying with all necessary formalities and procuring the necessary permissions and clearances from the appropriate authorities including the permission to export to Bangladesh under the Duty Entitlement Pass Book / Duty Free Replenishment Certificate ("**DFRC**") scheme through "Ghojadanga" Land Custom Station, provided by Commissioner of Customs (Preventive), West Bengal and Joint Commissioner of Customs (Preventive), West Bengal. However, on the Zonal JDGFT issued a show cause notice ("**SCN**"), under Section 8, 9 and 11 of the Foreign Trade (Development and Regulation) Act, 1992 ("Foreign Trade Act"), which was received by our Company on October 04, 2005. Our Company had duly represented its case and produced all the necessary documents on the basis of which the DFRC licence was granted to our Company. However, vide its letter dated January 14, 2011 the Zonal JDGFT had issued a defaulter order ("**Defaulter Order**") against Our Company alleging that our Company had violated the Foreign Trade Act, Customs Act, 1962 and other relevant acts by submitting fake documents and making false declarations for obtaining the DFRC benefit. In the present petition our Company has challenged the authority of the Zonal JDGFT, claimed that the actions taken by the Zonal JDGFT are illegal and wrongful and has prayed, inter alia, for a writ of mandamus commanding the Respondent Authorities to recall/rescind the Defaulter Order and a writ of prohibition prohibiting the Respondent Authorities from taking any further steps pursuant to the Defaulter Order. The matter is presently pending.

13. Our Company has filed civil suit no. 76 of 2012 in the High Court at Calcutta against Indian Overseas Bank ("**Defendant**") for recovery of ₹ 360.56 million together with interest thereon from the Defendant against the allegedly wrongful debits made by the Defendant to the bank account of our Company maintained with the Defendant. The dispute arises out of import transactions undertaken by our Company for and on behalf of Sesa International Limited involving payments to the foreign importer made through letters of credit opened by our Company through the Defendant. The matter is presently pending.

14. Arbitration proceedings have been initiated by our Company against Sesa International Limited ("**Respondent**") The dispute arises out of the memorandum of agreement dated November 21, 2006 ("**MoA**") executed between our Company and the Respondent whereunder our Company had agreed to facilitate purchase of steel ingots/wire rods/bars and rods/billets from various overseas suppliers on behalf of the Respondent. Our Company has initiated the arbitration proceedings for recovery of an amount aggregating to ₹ 570.84 million allegedly due and payable by the Respondent to our Company. The matter is presently pending.

15. Our Company has filed a misc. case no. 370 of 2018 before the District Judge at Alipore, praying *inter-alia,* for an order of injunction against Meherkiran Enterprises Limited ("**Respondent**") restraining the Respondent from disposing of its properties or assets in order to secure a sum of ₹ 920.89 million awarded in favour of our Company in the matter of arbitration between our Company and the Respondent. The matter is presently pending.

16. Our Company has filed a company petition bearing no. 40 of 2014 before the High Court of Orissa at Cuttack against Krishna Coke (India) Private Limited ("**KCIPL**") for winding up of KCIPL for non-payment of ₹ 252 million due and payable by KCIPL to our Company in terms of the agreement April 17, 2010 and subsequent renewals thereof entered into between our Company and KCIPL wherein our Company agreed, *inter alia,* to facilitate procurement of coking coal, LAM coke and other goods for and on account of KCIPL. The matter is presently pending.

17. Our Company has filed a company petition bearing no. 266 of 2014 before the High Court of Gujarat at Ahmedabad against Gyscoal Alloys Limited ("**Respondent**") for winding up of the Respondent for non-payment of an outstanding amount of ₹ 169.21 million due and payable by the Respondent in terms of the agreement dated November 14, 2006 entered into between our Company and the Respondent whereunder our Company had agreed to source the procurement of substantial quantity of material like iron ore, scrap, pig iron and sponge iron for and on account of the Respondent. Our Company has also initiated arbitration proceeding against the Respondent praying for an award for a sum of ₹ 100.89 million along with interest. The matters are presently pending.

18. Our Company has filed a company petition bearing no. 174 of 2015 before the High Court at Bombay ("**High Court**") against Topworth Steels and Power Private Limited ("**Respondent**") under Section 433 (e) and (f) read with Sections 434 (1) (a) and 434 with Section 439 of the

Companies Act, 1956 citing the inability of the Respondent to pay the debts to our Company aggregating to ₹ 1,236.57 million in terms of the agreement dated September 22, 2009 along with subsequent agreements, whereunder our Company had agreed to procure materials from the sources approved by the Respondent, indigenously for the manufacture of steel products. Vide an order dated October 31, 2018, the High Court had transferred the matter to NCLT, Mumbai on the conditions specified in the order. The matter is presently pending.

19. Our Company has filed a company petition bearing no. 175 of 2015 before the High Court of Bombay ("**High Court**") against Topworth Pipes and Tubes Private Limited ("**Respondent**") under Section 433 (e) and (f) read with Sections 434 (1) (a) and 434 with Section 439 of the Companies Act, 1956 citing the inability of the Respondent to pay an aggregate sum of ₹ 164.75 million due to our Company in terms of the agreement dated August 09, 2011 along with subsequent agreements whereunder our Company had agreed to procure materials from the sources approved by the Respondent, indigenously for the manufacture of steel products. The High Court on November 02, 2018, had ordered the Respondent to make immediate payment of its outstanding dues, in response to which the Respondent had submitted that its secured creditors have filed an application under Section 7 of IBC in NCLT, Mumbai. Our Company's application for the taking over of physical possession of the Respondent by official liquidator was allowed. The matter is presently pending.

20. Our Company has filed a company petition bearing no. 674 of 2014 before the High Court at Bombay ("**High Court**") against Topworth Urja and Metals Limited ("**Respondent**") under Section 433 (e) and (f) read with Sections 434 (1) (a) and 434 with Section 439 of the Companies Act, 1956 citing the inability of the Respondent to pay an aggregate sum of ₹ 211.35 million due to our Company in terms of the agreement dated September 27, 2011 along with subsequent agreements whereunder our Company had procured materials from the sources approved by the Respondent, indigenously for the manufacture of steel products by the Respondent. The High Court, on November 02, 2018, had ordered the Respondent to make immediate payment of outstanding dues, to which the Respondent had submitted that its secured creditors have filed an application under Section 7 of IBC in NCLT, Mumbai. Our Company's application for the taking over of physical possession of the Respondent by the Official Liquidator by the High Court was allowed. The matter is presently pending for final hearing.

21. Our Company has filed an execution application bearing No. 514 of 2015 before the District Court, Alibaug against Conros Steel Private Limited ("**Judgement Debtor**"). Our Company had entered into an agreement dated May 26, 2010 with the Respondent where under our Company had agreed to act as a facilitator for procurement of HR coils for and on account of the Respondent ("**Agreement**"). Arbitration proceedings were initiated by our Company alleging the failure and repeated neglect of the Respondent to pay the outstanding amount due and payable to our Company in terms of the Agreement. Vide an interim award dated July 26, 2013, the Judgement Debtor was directed to pay a sum of ₹ 37.28 million and vide the final award dated June 23, 2014 the Judgement Debtor was directed to pay a sum of ₹ 16.62 million to our Company ("**Awards**"). The present execution application has been filed for execution of the Awards. The matter is presently pending.

22. Our Company has filed an arbitration petition bearing no. 1228/2013 before the High Court at Bombay ("**High Court**") seeking interim reliefs pending disposal of the arbitration proceedings initiated by our Company against Conros Steel Private Limited and another ("**Respondents**") in terms of an agreement dated May 26, 2010 entered into between our Company and the Respondent ("**Agreement**"). In terms of the said Agreement, our Company had agreed to act as a facilitator for procurement of raw materials for and on account of the Respondents. The Arbitrator, vide an interim award dated July 26, 2013, had directed the Respondent to pay an amount of ₹ 37.27 million to our Company. In the arbitration petition, our Company has prayed for the High Court to direct the Respondents to furnish security in the nature of a bank guarantee for ₹ 37.27 million and other reliefs regarding disclosure and injunction. The High Court had vide its order dated December 11, 2013 directed the Respondents to disclose their assets, whether encumbered or unencumbered which the Respondents failed to comply with. Vide an order dated February 06, 2014, the Respondents were directed to furnish a bank guarantee in favour of our Company. Pursuant to the failure of the Respondents to furnish the bank guarantee, within the prescribed time limit, the High Court had issued a show cause notice to show cause as to why appropriate action for contempt against the Respondents for non-compliance with order passed by the Court on February 06, 2014 deliberately be not taken. The High Court had initiated contempt proceedings against the

Respondents and the matter is presently pending.

23. Our Company has filed a summary suit bearing no. 2062 of 2002 before the High Court at Bombay against Omega Petro Products Private Limited ("**OPPPL**") and others ("**Respondents**") for recovery of a sum of ₹ 46.92 million due from OPPPL to our Company as on March 31, 2002 with interest in terms of the agreement dated August 27, 1998 entered into between OPPPL and our Company whereunder our Company had imported superior kerosene oil/furnace oil on behalf of OPPPL. The matter is presently pending.

24. Our Company along with the Union of India through the Ministry of Steel has filed an application bearing A.C. Matter No. 1 of 1999 before the Court of Chief Judge, Small Causes Court at Mumbai against Singhal Swaroop Ispat Limited and nine others ("**Respondents**") on account of, *inter alia*, dishonour of multiple cheques and subsequent failure and neglect of the Respondents to pay the amount due and payable on purchase orders placed by the Respondents with our Company for the supply of 3000 tonnes waste and scrap for remelting (melting scrap of all grade of non-alloy carbon steel shredded scrap). Our Company has prayed for the attachment of movable and immovable properties including the bank accounts of the Respondents to secure an outstanding amount of ₹ 38.98 million inclusive of applicable interest. The matter is presently pending.

(c) Tax proceedings

Nil

III. **Outstanding dues to micro, small and medium enterprises and other material creditors by our Company**

As per the Materiality Policy, outstanding dues to creditors in excess of 5 % of the total consolidated trade payables to creditors in Fiscal 2018 (i.e. ₹ 26,040.84 million) as per the Restated Financial Statements of our Company are to be considered as material creditors. Accordingly, the consolidated trade payables to creditors in excess of ₹ 1,302.04 million is considered as material creditor.

As of September 30, 2018, the total amount outstanding to creditors was ₹ 21,411.32 million. Further our Company does not have any outstanding dues to micro, small and medium enterprises.

Details of outstanding dues owed as at September 30, 2018 to MSMEs and material creditors are set out below:

Creditors	Number of Cases	Amount due (in ₹ million)
MSMEs	Nil	Nil
Other creditors	3	10,739.62

The details pertaining to amounts due towards the material creditors are available on the website of our Company at www.mstcindia.co.in.

IV. **Material Developments**

Post September 30, 2018, our Company had made an investment in our Group Company of an amount aggregating to ₹ 30 million and the shares have been allotted on February 6, 2019.

V. **Litigations involving our Directors**

(i) Litigations against our Directors

(a) Criminal Complaints

Nil

(b) Other litigations

Nil

(ii) Litigations by our Directors

Nil

Litigations involving our Subsidiary

I. **Litigations against our Subsidiary**

(a) Criminal Complaints

Nil

(b) Civil Proceedings

Our Subsidiary is involved in various proceedings initiated before various courts and other forums, under various labour and employment related statutes. The proceedings arise out of disputes in connection with continuation of services, payment of minimum wages, compensation for death or injuries caused by accidents involving equipment registered in the name of our Subsidiary, alleged wrongful termination of services or transfers, injunctions against eviction from quarters, regularization of labourers, deduction of house rent from salaries, enquiries and disciplinary proceedings, and other service related matters. As of the date of this Red Herring Prospectus, there are 16 such proceedings pending before various courts and other forums. Brief description of the material cases are provided below:

1. A writ petition no. 4730/2009 has been filed before the High Court at Calcutta by FSNL Employee Union (Durgapur Unit) ("**Union**") and another ("**Petitioners**") against our Subsidiary and its Assistant Manager at Durgapur Steel Plant ("**DSP**"), Employee State Insurance Corporation, Kolkata ("**ESIC**"), Union of India through the Ministry of Labour, State of West Bengal through the Department of Labour ("**Respondents**"). The matter is related to an ongoing negotiation between our Subsidiary and ESIC whereunder our Company had been seeking exemption from registration of DSP under ESIC on various grounds, *inter alia*, that the benefits provided by our Subsidiary to the employees are better than the benefits envisaged under the scheme of ESIC and that the provisions of Employees State Insurance Act, 1948 ("**ESI Act**") are not applicable to the employees drawing wages in excess of ₹ 0.01 million per month. However, vide an order dated February 06, 2009, ESIC demanded a sum of ₹ 0.42 million from our Subsidiary towards ESI contribution for the period from March 01, 1999 to January 31, 2008. ("**Impugned Order**"). Upon receipt of the Impugned Order our Subsidiary issued a notice dated February 20, 2009 to the Petitioners conveying its decision to withdraw the existing medical benefits and deduct the employee's share of the Employee State Insurance Contribution from March 2009 ("**Impugned Notice**"). In the present petition, the Petitioners have prayed for, *inter alia*, a declaration that the provisions of the ESI Act are not applicable to the members of the Union drawing monthly wages of more than ₹ 0.01 million, a writ in the nature of mandamus commanding the Respondents to withdraw the Impugned Order and Impugned Notice. The matter is presently pending.
2. An industrial dispute case bearing no. 37/2012 has been referred to the Central Government Industrial Tribunal-cum-Labour Court, Dhanbad by the Central Government vide its letter bearing no. L-29011/7/2012-IR(M) to settle the dispute between Jharkhand Krantikari Mazdoor Union, Bokaro ("**JKMU**") and the management of Bokaro Unit of our Subsidiary. The JKMU has raised the dispute to regularize the contract labourers engaged through contractors from the year 2002 in a phased manner and pay applicable benefits to them till regularization. The matter is presently pending.

(c) Actions by Statutory and Regulatory Authorities

Nil

(d) Tax proceedings

Direct Tax proceedings

S. No.	Type of Direct Tax	Number of cases	Approximate amount in dispute / demanded (in ₹ million)
1.	Income Tax	Nil	Nil
Total		Nil	Nil

Indirect Tax proceedings

S. No.	Type of Indirect Tax	Number of cases	Approximate amount in dispute/ demanded (in ₹ million)
1.	Customs	Nil	Nil
2.	Service Tax	19	648.67
3.	Sales Tax / VAT	02	4.65
4.	Central Excise	Nil	Nil
5.	Goods & Service Tax	Nil	Nil
Total		21	653.32

**Approximate amount in dispute includes penalty and applicable interest.*

II. **Litigations by our Subsidiary**

(a) Criminal Complaints

A criminal complaint bearing Criminal Case No. 4385 of 2018 has been filed before the Court of Judicial Magistrate, First Class, Durg, Chhattisgarh under Sections 500 and 501 of CrPC by our Subsidiary against Arun Kumar Sisodiya for making and publishing defamatory statement against FSNL. The matter is presently pending.

(b) Civil Proceedings

1. Our Subsidiary filed an appeal being RSA No. 196 of 2005 before the High Court of Orissa at Cuttack under Section 100 of CPC in the matter of misc. case no. 22 of 2007 against Kubera Parida. The appeal was filed with a prayer for vacation of order of attachment of the bank account of our Subsidiary passed by the Civil Judge (Senior Division) Rourkela ("**Executing Court**") on December 20, 2006 in E.P. No. 22 of 2005. The High Court of Orissa, vide order dated January 25, 2007 had directed that on furnishing ₹ 1 million before the Executing Court within a period of four weeks the Executing Court shall stay further proceeding in execution proceeding no. 22 of 2005 and vacate the order of attachment passed on December 20, 2006. The matter is presently pending.
2. Our Subsidiary has filed an appeal bearing MAT No. 244 of 2019 ("**Appeal**") before the High Court at Calcutta ("**High Court**") aginst an order dated January 25, 2019 ("**Impugned Order**") passed by the High Court in the writ petition no. 33074 (W) of 2013 filed by International Commerce Limited ("**Respondent** 1") and Shree Kumar Lakhotia ("**Respondent** 2") in the High Court at Calcutta against the Union of India through the Ministry of Steel ("**MoS**"), the Steel Authority of India Limited ("**SAIL**"), Union of India through the Department of Public Enterprise ("**DPE**"), Durgapur Steel Plant ("**DSP**"), our Subsidiary and Rashtriya Ispat Nigam Limited ("**RINL**") (the Respondent 1, Respondent 2, MoS, SAIL, DPE and RINL have been arrayed as respondents in the Appeal and hereinafter referred to as the "**Respondents**"). The Petitioner had challenged the nomination order dated August 28, 2008, order dated March 20 2013 issued by E.D. (O)/SAIL to the plants of SAIL for continuance of jobs pending finalization of the terms of memorandum of understanding ("**MOU**") and order dated March 25, 2013 issued by DSP for continuation of services by our Subsidiary till the finalization of the new MOU and also challenged withdrawal of expression of interest on October 10, 2013 by SAIL. Vide the Impugned Order the High Court had quashed the decision of SAIL to award the contract to our Subsidiary on nomination basis. Our Subsidiary has filed the Appeal challenging the Impugned Order by contending, inter alia, that the High Court has erred in coming to the conclusion that awarding the contract on nomination policy was not founded upon government policy and that awarding the contract to our Subsidiary was arbitrary and violative of Article 14 of the Constitution of India. Our Subsidiary has also filed a stay petition bearing CAN no. 1863 of 2019 before the High Court praying, *inter*

alia, to issue a rule calling upon the Respondents to show cause as to why the Impugned Order should not be stayed pending disposal of the Appeal. The matters are presently pending.

(c) Actions by Statutory and Regulatory Authorities

Nil

(d) Tax proceedings

Nil

LITIGATIONS INVOLVING OUR GROUP COMPANY

As on date, there are no material litigations pending against our Group Company.

GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of material approvals, licenses, registrations and permits obtained by our Company and our Subsidiary. In view of the approvals listed below, our Company can undertake this Offer and our Company and our Subsidiary can undertake their respective current business activities, including on the basis of the list of material approvals provided below, and other than as stated below, no further material approvals from any governmental or regulatory authority are required to undertake this Offer or continue the business activities of our Company and our Subsidiary. Unless otherwise stated, these approvals are valid as of the date of this Red Herring Prospectus. Certain approvals may have lapsed in their normal course and our Company and/or our Subsidiary Company, as the case may be have either already made applications to the appropriate authorities for renewal of such licenses and/or approvals or are in the process of making such renewal applications.

For details in connection with the regulatory and legal framework within which we operate, please refer to the section titled "Key Regulations and Policies" on page 132 of this Red Herring Prospectus.

A. Material Approvals in relation to our Company:

1. **Incorporation Details**

- Original certificate of incorporation dated September 9, 1964 issued to our Company by the RoC in the name of "Metal Scrap Trade Corporation Limited".
- Certificate of commencement of business issued to our Company by the RoC pursuant to Section 149(3) of the Companies Act, 1956 dated April 12, 1965.
- Fresh certificate of incorporation dated November 9, 1994 issued by the RoC consequent upon change of name of our Company from "Metal Scrap Trade Corporation Limited" to "MSTC Limited".

2. **Approvals in relation to this Offer**

For the approvals and authorization obtained by our Company in relation to the Offer, please refer to the section titled "*Other Regulatory and Statutory Disclosures*" on page 266 of this Red Herring Prospectus.

3. **Material approvals for our business and operations**

Our Company require various approvals, consents, registrations, permits and/ or licences under various rules and regulations to operate our business in India. We have obtained the necessary permits, licences and approvals from the appropriate regulatory and governing authorities required to operate our business.

The material approvals required by our Company to conduct its operations are set out herein below wise:

Employment Related Licenses

Sr. No.	Name/description of license/approval	Issuing authority	Date of issue/ renewal	Date of expiry, if specified
1.	Registration of estaiblishment of Employees Provident Fund having code number - WBPRB0012526000 under Employees' Provident Fund and Miscellaneous Provisions Act, 1952	Employees' Provident Fund Organisation	July 16, 2015	-

4. **Other licenses/approvals received by our Company:**

i. Permanent Account Number AACCM0021E issued by Commissioner of Income Tax under the Income Tax Act, 1961;

ii. Certificate of importer-exporter code issued by the Ministry of Commerce and Industry for our Company;

iii. Legal entity identifier number 3358003PBOH7UUT66J96 issued by Legal Entity Identifier India Limited;

iv. Registration certificates of Professional Tax for branches of our Company situated at different states such as Orrisa, Karnataka, Madhya Pradesh, West Bengal, Telangana, Assam, Jharkhand, Tamil Naidu, Gujarat, Andhra Pradesh, Maharashtra issued by the respective State Government.

Indirect Tax Related Approvals

Registration Certificates under the Goods and Services Tax, Act, 2017:

Sr. No.	**Name/description of license/approval**	**Address of Principal Place of Business**	**Issuing authority**	**Date of issue/ renewal**	**Date of expiry, if specified**
1.	GSTIN:29AACCM002 1E1Z3	3rd Floor, 19/5 19/6, Kareem Towers, Cunningham Road, Vasanth Nagar, Bangalore.	GoI	September 20, 2017	-
2.	GSTIN:23AACCM002 1E1ZF	First Floor, 76-77 R, Zone-II, M.P.Nagar, Bhopal, Madhya Pradesh-462011	GoI	September 26, 2017	-
3.	GSTIN:21AACCM002 1E1ZJ	3rd Floor, Room No - TP-B1/03 and 08, Toshali Bhavan, Satya Nagar, Bhubaneswar, Khordha, Odisha- 751007	GoI	May 18, 2018	-
4.	GSTIN:19AACCM002 1E2Z3	225-F, A.J.C. Bose Road, Kolkata, Kolkata, West Bengal	GoI and Government of West Bengal	July 23, 2017	-
5.	GSTIN:18AACCM002 1E1Z6	BSNL Exchange Building, Beltola Basistha Road, Guwahati, Karimganj, Assam-781038	GoI	September 24, 2017	-
6.	GSTIN:19AACCM002 1E1Z4	225-C, AJC Bose Road, Beckbagan, Kolkata, West Bengal-700020	GoI	September 20, 2017	-
7.	GSTIN:36AACCM002 1E1Z8	2nd floor, 636 and 637, akashganga complex, Khairatabad, Hyderabad, Telangana- 500004	GoI	September 21, 2017	-
8.	GSTIN:08AACCM002 1E1Z7	1st floor, CF/02, Nehru place Complex, Tonk road, Jaipur, Rajasthan- 302015	GoI	September 20, 2017	-
9.	GSTIN:09AACCM002 1E1Z5	G-25/26, Tej Kumar Plaza, 1, T. N. Road, Hazratganj, Lucknow, Uttar Pradesh- 226001	GoI	September 24, 2017	-
10.	GSTIN:07AACCM002 1E1Z9	1st Floor, 30-31 A, Jeevan Vikas Building, Asaf Ali Road, Opposite Hamdard Building, New Delhi-110002	GoI	September 25, 2017	-

11.	GSTIN:06AACCM002 1E1ZB	2nd Floor, Mstc Limited, Telephone Exchange Building, Sector 5, Panchkula, Panchkula, Haryana	GoI	September 24, 2017	-
12.	GSTIN:22AACCM002 1E1ZH	3rd Floor, Hall No 7, Udyog Bhawan Parisar, Ring Road No 1, Telibandha, Raipur, Chhattisgarh	GoI	September 19, 2017	-
13.	GSTIN:20AACCM002 1E1ZL	Sector II, Telephone Exchange, Dhruva, Ranchi, Jharkhand, 834001	GoI	September 24, 2017	-
14.	GSTIN:33AACCM002 1E1ZE	2nd, 69, Lilawati, Armenian Street, Chennai, Chennai, Tamil Nadu, 600001	GoI	September 20, 2017	-
15.	GSTIN:32AACCM002 1E1ZG	5th Floor, 97, Vanasree Forest Head Quarters, Vazuthacadu, Thiruvananthapuram,	GoI	September 24, 2017	-
16.	GSTIN:24AACCM002 1E1ZD	2nd Floor, 21, Kamalanjali, Old Padra Road, Vadodara, Vadodara, Gujarat, 390015	GoI	September 19, 2017	-
17.	GSTIN:37AACCM002 1E1Z6	6th Floor, LIC Building, LIC Building, Jeevitha Bima Road, Dabagardens, Visakhapatnam, Andhra Pradesh	GoI	September 21, 2017	-
18.	GSTIN:27AACCM002 1E1Z7	607, Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai City, Maharashtra, 400021	GoI	September 22, 2017	-

5. **Intellectual Property Rights**

Sr. No.	**Name/ description of approval**	**Issuing authority**	**Date of issue/ renewal**	**Date of expiry, if specified**
1.	The mark 'mstcecommerce' registered as a trademark in class 35 under registration no. 2014051 for normal and email including electronic business management, administration and office functions, including sales promotions and others services included in class 35.	Registrar of TradeMarks, Kolkata	August 25, 2010	August 25, 2020
2.	The mark 'MSTCECOMMERCE' registered as a trademark in class 41 under registration no. 2014052 for providing education, training, entertainment, sporting and cultural activities services, including e-services for the same included in class 41.	Registrar of TradeMarks, Kolkata	August 25, 2010	August 25, 2020
3.	The mark 'MSTCECOMMERCE' registered as a trademark in class 42 under registration no. 2014053 for scientific and technological services and research and design relating thereto, industrial analysis and research services; design and development of computer hardware and software.	Registrar of TradeMarks, Kolkata	August 25, 2010	August 25, 2020
4.	The logo of 'M3 MSTC METAL MANDI' registered as a trademark in class 6 under registration no. 3772029 for common metals, non-ferrous metal and their alloys; ores of metal, small items of metal hardware.	Registrar of TradeMarks, Kolkata	March 7, 2018	March 7, 2028

5.	The logo of 'M3 MSTC METAL MANDI' registered as a trademark in class 35 under registration no. 3772030 for Advertising, ecommerce, advertising designing and panning enabling customers to conveniently view and purchase of goods in an electronic retail store or wholesale outlets.	Registrar of TradeMarks, Kolkata	March 7, 2018	March 7, 2028
6.	The mark of 'MSTC LIMITED' registered as a trademark in class 99 (multiclass application) under registration no. 1660901 for common metal and their alloys; non-electric cables and wires of common metal: ironmongery, small items of metal hardware; pipes and tubes of metal; safes; goods of common metal not included in other classes; ores and services that cannot be classified in other classes under class 6 and international trade services like sourcing of raw materials for industries both nationally and internationally, e-trade of various commodities including scrap and surplus materials, export under class 42.	Registrar of TradeMarks, Kolkata	March 4, 2018	March 04, 2028
7.	The e-commerce modules (mstcecommerce application software) registered under the class 'Literary' as a copyright.	Registar of Copyrights, Copyright office, GoI	July 13, 2012	-
8.	Domain name: 'MSTCINDIA.CO.IN' Domain ID: D2877338-AFIN	Registrar: Net4India	May 4, 2018	March 13, 2019
9.	Domain name 'mstcecommerce.com' Domain ID: 594580852_DOMAIN_COM-VRSN	Registrar: pair Domains INC	August 27, 2018	September 15, 2023

I. Material Licenses / approvals which are required and for which no application has been made by our Company.

Nil

II. Material approvals which have expired for which renewal application have been made.

Nil

B. The material approvals in relation our Subsidiary for conducting its operations are set out herein below:

1. **Incorporation Details:**

- Certificate of incorporation dated March 28, 1979 issued to FSNL by the Registrar of Companies, Bihar and Jharkhand at Patna in the name of "Ferro Scrap Nigam Limited".
- A fresh certificate of incorporation dated September 12, 1989 has been issued by the Registrar of Companies, Madhya Pradesh at Gwalior in the name of the "Ferro Scrap Nigam Limited" pursuant to the alteration in the MOA with respect to the place of the registered office vide order of Company Law Board, Eastern Region Bench at Kolkata dated July 21, 1989.

2. **Material approvals for FSNL's business and operations:**

Our Subsidiary have obtained the following material licences and material approvals that are required for undertaking its current business activities:

1. Permanent Account Number AAACF7443D issued by Commissioner of Income Tax under the Income Tax Act, 1961;
2. Licence to work a factory under Factories Act, 1948 from the relevant state government authorities that are required by our Subsidiary's unit at Bhilai, Bokaro, Burnpur, Durgapur and Rourkela.
3. Licence under Petroleum Rules, 2002 for our Subsidiary's unit at Bhilai, Durgapur, Rourkela, Jajpur, Burnpur, Vishakhapatnam and Bokaro.
4. Registration under Contract Labor (Regulation and Abolition), Act 1970 from the relevant state government authorities that are required by our Subsidiary's unit at Bhilai, Bokaro, Burnpur, Durgapur, Haridwar, Hazira, Salem, Vishakhapatnam and Rourkela.
5. Registration Certificates under the Goods and Services Tax, Act, 2017 for our Subsidiary's unit at Maharashtra, Chattisgarh, Karnataka, Jharkhand, West Bengal, Uttarakhand, Gujarat, Odisha, Tamil Naidu and Andhra Pradesh.

3. **Material approval by our Subsidiary which have expired for which renewal application have been made.**

a) Application dated November 29, 2018 for obtaining the licence to work a factory under Factories Act, 1948 for manufacturing process of handling, processing and recovery of scrap (metallic) and slag (non metallic) for its unit at Bhilai.

b) Application dated January 15, 2019 for obtaining the licence under Contract Labor (Regulation and Abolition), Act 1970 from the relevant state government authorities that are required by our Subsidiary's unit at Jajpur.

c) Application no. 4069384 and 4069385 filed for registering the mark 'FSNL' with the Trademarks Registry, Mumbai dated January 28, 2019 under class 40 and 8 respectively.

4. **Licenses / approvals which are required and for which no application has been made by our Subsidiary.**

Nil

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for this Offer

Our Board of Directors has approved this Offer pursuant to a resolution passed at its meeting held on January 11, 2019.

The Selling Shareholder, through letter bearing file number D.O. No. 3(1)/2010-MF (Part) dated January, 30, 2019 conveyed the consent for inclusion 17,600,000 Equity Shares and through its consent letter bearing file number F. No. 3(1)/2010-MF (Part) dated March 6, 2019 has conveyed the consent for inclusion of additional 70,400 Equity Shares of our Company for the Employee Reservation Portion, as part of the Offer for Sale.

Our Board, by way of resolution dated January 30, 2019, has approved the DRHP.

Our Board, by way of resolution dated March 6, 2019, has approved this RHP.

Our Company has received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares, pursuant to letters dated February 13, 2019 and February 18, 2019, respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Directors, our Promoter and persons in control of our Company, our Group Company and Subsidiary, have not been prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority or court, including any securities market regulator in any jurisdiction.

Neither our Company, nor our Promoter or Directors have been identified and/ or declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI or in terms of the SEBI ICDR Regulations. Further, there are no violations of securities laws committed by them in the past or are pending against them.

None of our Directors are associated in any manner with the securities market, including securities market related businesses, and there has been no action taken by SEBI against our Directors or any entity in which any of our Directors are involved as a promoter or director in the five (5) years preceding the date of this Red Herring Prospectus.

The listing of any securities of our Company and our Subsidiary has never been refused at any time by any of the stock exchanges in India or abroad.

Confirmation under Companies (Significant Beneficial Ownership) Rules, 2018

Section 89 of the Companies Act, 2013 which deals with declaration in respect of beneficial interest in any share is not applicable to the Government Companies.

Eligibility for this Offer

Our Company is eligible for this Offer in accordance with the Regulation 6(2) of the SEBI ICDR Regulations, which states as follows:

"*An issuer not satisfying the condition stipulated in sub-regulation (1) shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy five per cent of the net offer to qualified institutional buyers and to refund the full subscription money if it fails to do so.*"

Since our Company does not satisfy the conditions specified in Regulation 6(1) of the SEBI ICDR Regulations, we are required to allot not less than 75% of the Net Offer to QIBs to meet the conditions specified under Regulation 6(2) of the SEBI ICDR Regulations. In the event we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations.

The Selling Shareholder has confirmed that they have held the Equity Shares being offered for sale in this Offer for at least one year prior to the date of filing the Draft Red Herring Prospectus with SEBI in accordance with Regulation 8 of the SEBI ICDR Regulations and the Equity Shares proposed to be offered and sold by them shall not be sold or transferred, charged, pledged or otherwise encumbered.

In accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company and the shareholder shall ensure that the number of prospective Allottees to whom the Offered Shares will be allotted under this Offer shall not be less than 1,000 otherwise the entire application money will be refunded to the Bidders. If such money is not repaid within the time prescribed under the Applicable Laws, our Company and the Selling Shareholder shall be liable to pay interest on the application money at the rate of 15% per annum in accordance with the Applicable Laws.

The status of compliance of our Company with the conditions as specified under Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

(i) Our Company, the Selling Shareholder and our Directors are not debarred from accessing the capital markets by SEBI;

(ii) The companies with which our Promoter or our Directors are or were associated as promoter or director are not debarred from accessing the capital markets under any order or direction passed by SEBI;

(iii) Our Company along with the registrar to our Company, Alankit Assignments Limited has entered into tripartite agreements dated March 1, 2019 and February 28, 2019 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares;

(iv) The Equity Shares of our Company held by the Promoters are in the dematerialised form;

(v) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Red Herring Prospectus;

(vi) There are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Red Herring Prospectus;

(vii) None of our Company, our Promoter, and Directors is a Wilful Defaulter (as defined in the SEBI ICDR Regulations); and

(viii) None of our Promoter and Directors has been declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

Given that this Offer is through an Offer for Sale by the Selling Shareholder and this Offer Proceeds will not be received by our Company, Regulation 7(1)(e) and Clause 9 (C) (1) of Part A of Schedule VI of the SEBI ICDR Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the amount to be raised through this Offer and existing identifiable internal accruals) does not apply.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, BEING EQURIUS CAPITAL PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, AND THE SELLING SHAREHOLDER WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THE DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF FOR THE PORTION OF THE EQUITY SHARES OFFERED BY WAY OF THE OFFER OF SALE, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY AND THE SELLING SHAREHOLDER DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JANUARY 30, 2019, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY OR ANY PERSON WHO HAS AUTHORISED THE ISSUE OF THIS RED HERRING PROSPECTUS FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/ OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLM ANY IRREGULARITIES OR LAPSES IN THIS RED HERRING PROSPECTUS.

All the legal requirements pertaining to this Offer will be complied with by the respective parties at the time of filing the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to this Offer will be complied with by the respective parties at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act, 2013.

Disclaimer Clause of BSE

"BSE has given vide its letter dated February 13, 2019 permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manners:-

a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or

b) warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or

c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever."

Disclaimer Clause of the NSE

"As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/551 dated February 18, 2019 permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

Disclaimer from our Company, our Directors, the Selling Shareholder and the BRLM

Our Company, our Directors, the Selling Shareholder and the BRLM accept no responsibility for statements made otherwise than those confirmed in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website: www.mstcindia.co.in would be doing so at his or her own risk.

The Selling Shareholder and its officers accept no responsibility for any statements made other than those made in relation to it and/or to the Equity Shares offered through this Offer for Sale.

Caution

The BRLM accepts no responsibility, save to the limited extent as provided in this Offer Agreement and the Underwriting Agreement.

All information shall be made available by our Company, the Selling Shareholder and the BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

None among our Company, the Selling Shareholder or any member of the Syndicate is liable for any failure in downloading the Bids due to faults in any software/ hardware system or otherwise and the blocking of application amount by RIB bank on receipt of instruction from the Sponsor Bank on account of any error, omission or non-compliance by various parties involved in, or any fault, malfunctioning or break-down in, or otherwise, in the UPI Mechanism.

Investors who Bid in this Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholder, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Offered Shares of our Company and will not issue, sell, pledge, or transfer the Offered Shares of our Company to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire Offered Shares of our Company. Our Company, the Selling Shareholder, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Offered Shares of our Company.

The BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and the Selling Shareholder 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 the Selling Shareholder for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

Disclaimer in respect of Jurisdiction

The Offer is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, as amended, including Indian nationals resident in India, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds , Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts registered under applicable trust law and who are authorised under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, permitted provident funds and pension funds, insurance funds set up and managed by the army and navy or air force of the Union of India, National Investment Fund and insurance funds set up and managed by the Department of Posts, India), systemically important NBFCs and to FPIs, Eligible NRIs and other eligible foreign investors (viz. FVCIs, multilateral and bilateral development financial institutions). This Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe Equity Shares offered hereby in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Kolkata only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Red Herring Prospectus has been filed with SEBI for its observations and SEBI shall give its observations in due course. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The offer and sale of the Equity Shares has not been, and will not be, registered under the U.S. Securities Act or any state securities laws in the United States and the Equity Shares 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 only (i) to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Red Herring Prospectus as "U.S. QIBs" (for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in the Red Herring Prospectus as "QIBs") and (ii) outside the United States and only in offshore transactions in reliance on Regulation S promulgated under the Securities Act and pursuant to the applicable laws of the jurisdiction where those offers and sales occur.

The Offered Shares 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 jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Until the expiry of 40 (forty) days after the commencement of this Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in this Offer) may violate the registration requirements of the Securities Act unless made pursuant to (i) Rule 144A only to U.S. QIBs or (ii) another available exemption from the registration requirements of the Securities Act and in accordance with applicable state securities laws.

All Equity Shares Offered and Sold in this Offer

Each purchaser that is acquiring the Offered Shares offered pursuant to this Offer either (i) in the United States pursuant to Rule 144A or (ii) outside the United States, by its acceptance of this Red Herring Prospectus and of the Offered Shares offered pursuant to this Offer, will be deemed to have acknowledged, represented to and agreed with our Company and the BRLM that it has received a copy of this Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

(1) the purchaser is authorized to consummate the purchase of the Offered Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;

(2) the purchaser acknowledges that this offer and sale of the Offered Shares offered pursuant to this Offer has not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly 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;

(3) the purchaser is purchasing the Offered Shares offered pursuant to this Offer either (i) as a US QIB pursuant to Rule 144A or (ii) in an offshore transaction meeting the requirements of Rule 903 of Regulation S promulgated under the U.S. Securities Act;

(4) the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Offered Shares offered pursuant to this Offer, was either (a) a US QIB located in the United States or (b) located outside the United States at the time (i) this offer was made to it and (ii) when the buy order for such Offered Shares was originated and continues to be located outside the United States and has not purchased such Offered Shares for the account or benefit of any person in the United Sates or entered into any arrangement for the transfer of such Offered Shares or any economic interest therein to any person in the United States;

(5) the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

(6) the purchaser is not acquiring the Offered Shares as a result of any "directed selling efforts" (within the meaning of Rule 902(c) of Regulation S);

(7) our Company will not recognize any offer, sale, pledge or other transfer of such Offered Shares made other than in compliance with the above-stated restrictions; and

(8) the purchaser acknowledges that our Company, the BRLM, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Offered Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of such Offered Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

In relation to each EEA State that has implemented the Prospectus Directive (Directive 2003/71/EC) (each, a "Relevant Member State"), an offer to the public of any Equity Shares may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

(a) to any legal entity which is a qualified investor as defined under the Prospectus Directive;

(b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors), subject to obtaining the prior consent of the Underwriters; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Offered Shares shall result in a requirement for our Company or any Underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive and each person who receives any communication in respect of, or who acquires any Offered Shares under, the offers contemplated in this Red Herring Prospectus will be deemed to have represented, warranted and agreed to with the Underwriter and our Company that it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any of the Offered Shares in any Relevant Member States means the communication in any form and by any means of sufficient information on the terms of this offer and the Offered Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Offered Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

In the case of any Offered Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the Offered Shares acquired by it in the offering have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Offered Shares to the public in a Relevant Member State prior to the publication of a prospectus in relation to the Offered Shares which has been approved by the competent authority in that relevant member state or, where appropriate, approved in another Relevant Member State and notified to the competent authority in the Relevant Member State, all in accordance with the Prospectus Directive, other than their offer or resale to qualified investors or in circumstances in which the prior consent of the Underwriters has been obtained to each such proposed offer or resale.

Our Company, the Underwriters and their affiliates, and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder, where required, must agree in the Allotment.

Listing

Applications have been made to the Stock Exchanges for listing of the Equity Shares offered in this Offer and for permission to deal in and for an official quotation of the Equity Shares. Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated February 13, 2019 and February 18, 2019, respectively. BSE is the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all moneys received from the Bidders/Applicants in pursuance of the Red Herring Prospectus/ the Prospectus and the Selling Shareholder will be liable to reimburse our Company for any such repayment of monies, on its behalf, with respect to Selling Shareholder's Offered Shares. If such money is not repaid within the prescribed time after our Company, the Sellimg Shareholder is liable to repay it, then our Company, Selling Shareholder and every Director of our Company and every officer of our Company who is in default may, on and from expiry of such period, shall be liable to repay the money, with interest, as prescribed under applicable law. Any expense incurred by our Company on behalf of the Selling Shareholder with regard to interest on such refunds will be reimbursed by the Selling Shareholder. For the avoidance of doubt, subject to applicable law, the Selling Shareholder shall not be responsible to pay interest for any delay, except to the extent that such delay has been caused by any act or omission solely attributable to such Selling Shareholder and to the extent of the Offered Shares of such Selling Shareholder.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges mentioned above are taken within six (6) Working Days of the Bid/ Offer Closing Date or within such time as may be prescribed by SEBI, as the case may be. Further, the Selling Shareholder confirm that they shall provide assistance to our Company and the BRLM, as may be reasonably required and necessary, for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six (6) Working Days of the Bid/ Offer Closing Date or within such time as may be prescribed by SEBI, as the case may be.

If our Company and Selling Shareholder do not Allot Offered Shares pursuant within six Working Days from the Bid/ Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Account will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

Price information of past issues handled by the BRLM

Equirus Capital Private Limited

Price information of past issues (during current financial year and two (2) financial years preceding the current financial year) handled by Equirus Capital Private Limited:

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Shankara Building Products Limited	3,450.01	460.00	April 5, 2017	555.05	+ 51.04% [+1.02%]	+ 80.91% [+3.78%]	+ 210.58 % [+5.65%]

Notes:
a. Source: www.nseindia.com for the price information
b. Wherever 30th/ 90th/ 180th calendar day from listing day is a holiday, the price of the immediately preceding working day has been considered.
c. The Nifty 50 index is considered as the benchmark index.

Table 2: Summary statement of disclosure

Financial Year	Total no. of IPOs	Total funds raised (₹ in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2018-2019*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2017-2018	1	3,450.01	-	-	-	1	-	-	-	-	-	1	-	-
2016-2017	-	-	-	-	-	-	-	-	-	-	-	-	-	-

** The information is as on the date of the RHP*

Track record of past issues handled by the BRLM

For the details regarding the track record of the BRLM to this Offer as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, refer to the website of the BRLM as set forth in the table below:

Sr. No.	Name of the BRLM	Website
1.	Equirus Capital Private Limited	www.equirus.com

Consents

Consents in writing of: (a) our Directors, our Company Secretary and Compliance Officer, Indian Legal Counsel to our Company and the Selling Shareholder, International Legal Counsel to our Company and the Selling Shareholder, Indian Legal Counsel to the BRLM, Bankers to our Company, the BRLM and the Registrar to the Offer have been obtained and (b) the Syndicate Member, the Bankers to the Offer/ Escrow Collection Banks/ Refund Banks, Sponsor Bank to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Draft Red Herring Prospectus and has not be withdrawn up to the time of delivery of this Red Herring Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, our Statutory Auditor, D.K Chhajer & Co., have given their written consent for inclusion of their reports dated January 29, 2019, on the Restated Financial Statements of our Company and the statement of special tax benefits dated January 29, 2019 in the form and context, included in the Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Expert opinion

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

Our Company has received written consent from the Statutory Auditor, namely D.K Chhajer & Co., to include their name as required under Section 26 of the Companies Act, 2013, read with the SEBI ICDR Regulations, and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of the examination report dated January 11, 2019 of the Statutory Auditor on the Restated Financial Statements of our Company as of and for the half year period ended on September 30, 2018 and Fiscals ended on March 31, 2018, March 31, 2017 and March 31, 2016 and the statement of special tax benefits dated January 29, 2019, included in this Red Herring Prospectus and such consents have not been withdrawn as on the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Particulars regarding public or rights issues by our Company during the last five (5) years

Our Company has not made any public or rights issues during the five (5) years preceding the date of this Red Herring Prospectus.

Commission and Brokerage paid on previous issues of the Equity Shares

Since this is the initial public offer of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's incorporation.

Previous capital issue during the previous three (3) years by our Company and listed group companies, subsidiaries and associates of our Company

Except as disclosed in the section titled *"Capital Structure – Notes to the Capital Structure –Share Capital History"* on page 62 of this Red Herring Prospectus, our Company has not made any capital issues during the three (3) years immediately preceding the date of this Red Herring Prospectus.

Since our Company does not have any listed group companies, subsidiary companies and associates, which have undertaken a capital issue in the last three (3) years preceding the date of this Red Herring Prospectus.

Performance vis-à-vis objects – public/ rights issue of our Company and/ or listed Subsidiaries

Our Company has not undertaken any previous public or rights issue in the five (5) years preceding the date of this Red Herring Prospectus.

Our Subsidiary is not listed on any stock exchange.

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to this Offer for a period of at least three (3) years from the last date of listing and commencement of the trading of the Equity Shares to enable the investors to approach the Registrar to this Offer for redressal of their grievances.

All grievances in relation to the Bidding process may be addressed to the Registrar to this Offer with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the Sole or First Bidder, Bid cum Application Form number, UPI ID (if applicable), Bidder DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than RIBs bidding through the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of RIBs applying through the UPI Mechanism.

Further, the Bidder shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

Further, with respect to the Bid cum Application Forms submitted with the Registered Brokers, the investor shall also enclose the acknowledgment from the Registered Broker in addition to the documents/ information mentioned hereinabove.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to this Offer or the Designated Intermediaries, for the redressal of routine investor grievances shall be 10 (ten) Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has obtained authentication on the SCORES and will comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES.

Our Company has constituted a Stakeholders' Relationship Committee comprising Murali Vallabhan as the Chairperson, with Bhanu Kumar, Subrata Sarkar and Pravati Parida as members. For details, please refer to the section titled "*Our Management – Committees of the Board – Stakeholder Relationship Committee*" on page 161 of this Red Herring Prospectus.

Our Company has also appointed Mr. Ajay Kumar Rai, Company Secretary of our Company as the Compliance Officer and he may be contacted in case of any pre-Offer or post-Offer related issues at the following address:

MSTC Limited
225-C, A. J. C. Bose Road,
Kolkata – 700020, West Bengal, India
Tel: +91-33- 2281-3088
Email: cosec@mstcindia.co.in

Except for 1 complaint with respect to non-receipt of dividend, all of which were resolved by our Company immediately there are no investor complaints during the three (3) years preceding the date of filing of this Red Herring Prospectus. As on date of this Red Herring Prospectus, there are no pending investor complaints.

Our Group Company and our Subsidiary Company are not listed on any stock exchange.

SECTION VIII: OFFER INFORMATION

TERMS OF THE OFFER

The Offer comprises an Offer for Sale by the Selling Shareholder. The Offered Shares (including Employee Reservation Portion) being Allotted pursuant to this Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, SEBI Listing Regulations, the Memorandum of Association and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the abridged prospectus, Bid cum Application Form, any Revision Form, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of this Offer. The Offered Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the offer of capital, and listing and trading of securities issued from time to time by the SEBI, the GoI, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of this Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the GoI, the Stock Exchanges, the RoC, the RBI and/or any other authorities, as in force and to the extent applicable or such other conditions as may be prescribed by such authorities, while granting their approval for this Offer.

Ranking of the Offered Shares

The Equity Shares being Allotted pursuant to this Offer shall rank *pari passu* in all respects with the existing Equity Shares including in respect of the right to receive dividend and other corporate benefits, if any, declared by our Company after the date of Allotment.

All dividends, declared by our Company after the date of Allotment (pursuant to the Allotment of Offered Shares), will be payable to the Bidders who have been Allotted Offered Shares, for the entire year, in accordance with applicable law. For further details, in relation to dividends, please refer to the sections titled "*Dividend Policy*" and "*Main Provisions of Articles of Association*" on pages 168 and 303 of this Red Herring Prospectus, respectively.

Face Value, Offer Price and Price Band

The face value of each Equity Share is ₹ 10. The Floor Price of the Offered Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●].

The Price Band, minimum Bid Lot size, the Retail Discount and the Employee Discount for this Offer will be decided by our Company and the Selling Shareholder, in consultation with the BRLM, and will be advertised in all editions of the English national daily newspaper, Financial Express and all editions of the Hindi national daily newspaper, Jansatta and Kolkata edition of Bengali daily newspaper, Arthik Lipi, (Bengali being the regional language of Kolkata where our Registered Office is located) each with a wide circulation, at least two (2) Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their respective websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of Equity Shares.

Retail Discount and Employee Discount

A discount of ₹ [●] per Equity Share to on the Offer Price will be offered to the Retail Individual Bidders and a discount of ₹ [●] per Equity Share on the Offer Price will be offered to the Eligible Employees bidding in the Employee Reservation Portion. Retail Bidder at the Cut-Off Price have to ensure payment at the Cap Price, less Retail Discount, as applicable, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion respectively at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, as applicable, at the time of making a Bid.

Rights of our Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;

- Right to attend general meetings and exercise voting rights, unless prohibited by law;

- Right to vote on a poll either in person or by proxy or "e-voting" in accordance with the provisions of the Companies Act and the rules made thereunder;

- Right to receive offers for purchasing rights shares and be allotted bonus shares, if announced;

- Right to receive surplus on liquidation, subject to any statutory and other preferential claims being satisfied;

- Right of freely transfer their Equity Shares, subject to foreign exchange regulations and other applicable laws and regulations; and

- Such other rights, as may be available to a shareholder of a listed public company under the applicable law, including the Companies Act, the SEBI Listing Regulations, and the Memorandum of Association and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, please refer to the section titled "*Main Provisions of Articles of Association*" on page 303 of this Red Herring Prospectus.

Allotment only in Dematerialized Form

The Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Company:

- Tripartite Agreement dated February 28, 2019 amongst our Company, CDSL and Alankit Assignments Limited, registrar to our Company.

- Tripartite Agreement dated March 1, 2019 amongst our Company, NSDL and Alankit Assignments Limited, registrar to our Company.

Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges.

Market Lot and Trading Lot

Since trading of the Equity Shares will be in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be only in electronic form in multiples of [●] Equity Share subject to a minimum Allotment of [●] Equity Shares to successful Bidder.

Joint Holders

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of any Equity Share, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for this Offer is with the competent courts/authorities in Kolkata, West Bengal.

Nomination facility to Bidders

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debenture) Rules, 2014, as amended, the First or Sole Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of Sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Offered Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of equity share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the Registrar to this Offer of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

(a) to register himself or herself as the holder of the Equity Shares; or
(b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety (90) days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized form, there shall be no requirement to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidders will prevail. If the investors wish to change their nomination, they are requested to inform their respective Depository Participant.

Withdrawal of the Offer

Our Company and the Selling Shareholder, in consultation with the BRLM, reserve the right not to proceed with the entire or portion of this Offer for any reason at any time after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company and the Selling Shareholder in consultation with the BRLM decides not to proceed with the Offer at all, our Company shall issue a public notice in the same newspapers in which the pre-Offer advertisements were published, within two (2) days of the Bid/ Offer Closing Date, providing reasons for not proceeding with this Offer. Our Company shall also promptly inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed. The BRLM, through the Registrar to this Offer, shall notify the SCSBs and Sponsor Bank, as applicable, to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which the Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment a; and (ii) the final RoC approval of the Prospectus after it is registered with the RoC and filed with the SEBI and Stock Exchanges.

Bid/ Offer Programme

OFFER OPENS ON	**WEDNESDAY, MARCH 13, 2019**
OFFER CLOSES ON	**FRIDAY, MARCH 15, 2019**

An indicative timetable in respect of this Offer is set out below:

Event	Indicative Date
Bid/ Offer Closing Date	March 15, 2019
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about March 20, 2019
Initiation of refunds /Unblocking of funds from the ASBA Account	On or about March 22, 2019
Credit of Equity Shares to depository accounts of Allottees	On or about March 25, 2019
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about March 26, 2019

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation on our Company and/or the Selling Shareholder and/or the BRLM.

Whilst our Company and the Selling Shareholder shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six (6) Working Days of the Bid/ Offer Closing Date or such period as may be prescribed, the timetable may be changed due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholder, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholder confirms, that it shall extend reasonable co-operation required by our Company and the BRLM for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares (offered by Selling Shareholder) at the Stock Exchanges within six (6) Working Days from the Offer Closing Date or such time as may be prescribed by SEBI.

Submission of Bids:

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) (“**IST**”)
Bid/Offer Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, after taking into account the total number of applications received up to the closure of timings and reported by the BRLM to the Stock Exchanges, in case of Bids by Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion.

On Bid/ Offer Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders and Eligible Employees Bidding under the Employee Reservation Portion after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs will be rejected.

In case of any discrepancy in the data entered in the electronic book *vis-a-vis* data contained in physical or electronic ASBA Form for a particular Bidder, the details of the Bid file received from Stock Exchanges may be taken as final data for purposes of Allotment.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one (1) day prior to the Bid/Offer Closing Date and, in any case, not later than 1.00 p.m. IST on the Bid/Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offering, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under this Offer. Investors may please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays, Sundays and public holidays as declared by the Stock Exchanges. Bids will be accepted only during Monday to Friday (excluding any public holiday). Bids by the Bidders shall be uploaded by the SCSBs in the electronic system to be provided by the Stock Exchanges. None of our Company, the Selling Shareholder or any member of the Syndicate shall be liable for any failure in (i) uploading or downloading the Bids due to faults in any software/hardware system or otherwise; and (ii) the blocking of application amount by RIBs bank on receipt of instruction from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism. Any time mentioned in this Red Herring Prospectus is Indian Standard Time.

Our Company and the Selling Shareholder, in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Offer Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band or in case of force majeure, banking strike or similar circumstances, the Bid/Offer Period will be extended by at least three (3) additional Working Days following such as event, subject to the Bid/Offer Period not exceeding ten (10) Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the website of the BRLM and at the terminals of the Syndicate Member and by intimation to Self-Certified Banks ("SCSBs"), the Sponsor Bank, and other Designated Intermediaries, as applicable.

Minimum Subscription

As the Offer is entirely through Offer for Sale, the requirement of minimum subscription of 90% of the Offer under the SEBI ICDR Regulations is not applicable to this Offer. However, if our Company does not receive the minimum subscription in the Offer as specified under terms of the Rule 19(2)(b) of the SCRR, as applicable, including through devolvement of Underwriters, if any, within sixty (60) days from the date of Bid/ Offer Closing Date, our Company and the Selling Shareholder shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company and the Selling Shareholder and shall pay interest at the rate of 15% per annum for the period of delay or at such rate as prescribed under the applicable law.

Further, our Company and the Selling Shareholder shall ensure that the number of prospective Allottees to whom the Offered Shares will be allotted shall not be less than 1,000 in compliance with Regulation 49(1) of the SEBI ICDR Regulations failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company and the Selling Shareholder shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangements for Disposal of Odd Lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

Restrictions, if any, on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Offer capital of our Company and the Promoters' minimum contribution as per Regulation 16 and 17 of the SEBI ICDR Regulations, as provided in "*Capital Structure*" on page 62 of this Red Herring Prospectus and except as provided in the Articles of Association of our Company, there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer to the section titled "*Main Provisions of Articles of Association*" on page 303 of this Red Herring Prospectus.

OFFER STRUCTURE

Initial public offering of 17,670,400 Equity Shares of face value of ₹ 10 each through an Offer for Sale by the Selling Shareholder, for cash at a price of ₹ [●] per Equity Share, aggregating to ₹ [●] million, comprising a Net Offer of currently 17,600,000 Equity Shares and Employee Reservation of 70,400 Equity Shares. The Offer shall constitute 25.10% of the post-Offer paid-up Equity Share Capital of our Company and Net Offer shall constitute 25.00% of the post-Offer Equity Share Capital of our Company.

The Offer is being made through the Book Building Process.

Particulars	Eligible Employees	QIBs	Non-Institutional Bidders	Retail Individual Bidders
Number of Offered Shares available for Allotment/ allocation* (1)	Up to 70,400 Equity Shares	Not less than 13,200,000 Equity Shares	Not more than 2,640,000 Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Retail Individual Bidders	Not more than 1,760,000 Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment/ allocation	0.40% of this Offer Size	Not less than 75% of the Net Offer size shall be available for allocation to QIBs. However, 5% of the QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation in the QIB Portion will also be eligible for allocation in the balance QIB Portion. The unsubscribed portion in the Mutual Fund reservation portion will be available for allocation to QIBs.	Not more than 15% of the Net Offer	Not more than 10% of the Net Offer
Basis of Allotment/ allocation if respective category is oversubscribed *	Proportionate#	Proportionate as follows: (a)upto 660,000 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) 13,200,000 Equity Shares shall be Allotted on a proportionate basis to all other QIBs, including Mutual Funds receiving allocation as per (a) above	Proportionate	Proportionate, subject to minimum Bid Lot. For details, please refer to the section titled "*Offer Procedure* on page 286 of this Red Herring Prospectus
Minimum Bid	[●] Equity Shares and in multiples of [●], such that the Bid Amount (net of Employee Discount) does not exceed ₹500,000	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount exceeds ₹ 200,000	[●] Equity Shares in multiples of [●] Equity Shares, such that the Bid Amount (net of Retail Discount) does not exceed ₹200,000

Particulars	Eligible Employees	QIBs	Non-Institutional Bidders	Retail Individual Bidders
Maximum Bid	Such number of Equity Shares, in multiples of [●] Equity Shares, so that the Bid Amount does not exceed ₹ 500,000 (net of Employee Discount).	Such number of Equity Shares, in multiples of [●] Equity Shares not exceeding the size of this Offer, subject to applicable limits to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of this Offer, subject to applicable limits to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000
Mode of Allotment	Compulsorily in dematerialized form			
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Allotment Lot	A minimum of [●] Equity Shares and in multiples of one Equity Share thereafter For Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion, [●] Equity Shares and in multiples of one Equity Share thereafter, subject to availability in the Retail Portion and the Employee Reservation Portion			
Trading Lot	One Equity Share			
Who can apply[(2)]	Eligible Employees	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual funds, FPIs other than Category III foreign portfolio investors, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident fund (subject to applicable law) with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, in accordance with applicable law, National Investment Fund set up by the GoI, 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 and Systemically Important Non-Banking Financial	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and Category III foreign portfolio investors	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta)

Particulars	Eligible Employees	QIBs	Non-Institutional Bidders	Retail Individual Bidders
		Companies		
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder that is specified in the ASBA Form at the time of submission of the ASBA Form (3)			
Mode of Bidding	Only through the ASBA process.			

**Assuming full subscription in this Offer.*

(1) *Subject to valid Bids being received at or above this Offer Price. This Offer is being made in accordance with Rule 19(2)(b) of the SCRR in compliance with Regulation 6 (2) of the SEBI ICDR Regulations.*

(2) *In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.*

(3) *Retail Discount of ₹ [●] to this Offer Price will be offered to the Retail Individual Bidders and the Employee Discount of ₹ [●] to this Offer Price will be offered to Eligible Employees bidding in the Retail Portion and Employee Reservation Portion, respectively.*

 # The Offer includes a reservation of up to 70,400 Equity Shares aggregating to ₹ [●] million for subscription by Eligible Employees. .

Eligible Employees bidding in the Employee Reservation portion can Bid up to a Bid Amount of ₹ 500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹ 200,000. In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid under the Net Offer and such Bids will not be treated as multiple Bids.

Under subscription, if any, in any category except the QIB Category, would be met with spill-over from the other categories (including the Employee Reservation Portion) at the discretion of our Company and the Selling Shareholder, in consultation with the BRLM and the Designated Stock Exchange. Under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, please refer to the section titled "*Terms of the Offer*" on page 278 of this Red Herring Prospectus.

A total of upto 70,400 Equity Shares aggregating to ₹ [●] million shall be available for allocation on a proportionate basis to Eligible Employees, subject to valid Bids being received at or above the Offer Price. Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer to public.

OFFER PROCEDURE

*All Bidders should review the "**General Information Document for Investing in Public Issues**" prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI, and suitably modified from time to time ("**General Information Document**"), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid Cum Application Form. The General Information Document is also available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to this Offer.*

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of confirmation of allocation note and Allotment in the Offer; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Bid cum Application Form); (viii) designated date; (ix) disposal of applications; (x) submission of Bid cum Application Form; (xi) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xii) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

Our Company, the Selling Shareholder and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their own independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

Book Building Procedure

The Offer is being made through the Book Building Process, in accordance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Net Offer shall be available for allocation to QIBs on a proportionate basis. Further, such number of Offered Shares representing 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.

Further, the Offer includes a reservation of up to 70,400 Equity Shares aggregating to ₹ [●] million for subscription by Eligible Employees. Eligible Employees applying in the Employee Reservation Portion can apply at the Cut-Off Price and the Bid amount shall be Cap Price net of Employee Discount, multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000 on a net basis. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000 in value. Only in the event of an under-subscription in the Employee Reservation Portion post the initial allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000 in value.

In the event of under-subscription in the Net Offer, spill over to the extent of under- subscription shall be allowed from the Employee Reservation Portion. Subject to valid Bids being received at or above this Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholder in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis, subject to applicable law. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

The Equity Shares, upon listing, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Offered Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository accounts, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Offered Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer. Investors rematerializing their Equity Shares subsequent to Allotment should note that any transfer of such Equity Shares shall be subject to the Companies Act, 2013, the rules made thereunder and any other applicable law.

Unified Payments Interface

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries will be made effective along with the existing process and existing timeline of T+6 days. The same will continue for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase I**"). Thereafter, for application by RIBs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds will be discontinued and only the UPI Mechanism with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs ("**UPI Phase III**"), as may be prescribed by SEBI. This Offer is under UPI Phase I.

This Offer may be amongst one of the few initial public offerings in which the UPI Mechanism for application by RIB is being permitted, the Company, the Selling Shareholder and the BRLM are not liable for any adverse occurrence's consequent to the implementation of the UPI Mechanism for application in this Offer.

Retail Individual Bidders making application using UPI shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in the Offer. The SCSBs upon receipt of the Bid cum Application Form will upload the Bid details along with the UPI ID in the bidding platform of the Stock Exchanges. Applications made by the Retail Individual Bidders using third party bank account or using UPI IDs linked to the bank accounts of any third parties are liable for rejection. Bankers to the Offer shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. Post uploading the Bid details in the bidding platform, the Stock Exchanges will validate the PAN and demat account details of Retail Individual Bidders with the Depositories.

Bid cum Application Form

All Bidders (other than RIBs bidding using the UPI Mechanism) are required to mandatorily participate in this Offer only through the ASBA process. Further Retail Individual Bidders may participate in the Offer through UPI by providing details about the bank account in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected.

Copies of the ASBA Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centers, and at the Registered Office of our Company. Electronic copies of the ASBA Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one (1) day prior to the Bid/Offer Opening Date. Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected.

RIB bidding using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders shall ensure that their Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms). ASBA Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the ASBA Form for the various categories of Bidders is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FVCIs, FPIs and registered multilateral and bilateral institutions applying on a repatriation basis	Blue
Eligible Employees bidding in the Employee Reservation Portion**	Pink

** Excluding electronic Bid cum Application Form*

*** The Offer includes a reservation of up to 70,400 Equity Shares aggregating to ₹ [●] million for subscription by Eligible Employees.*

Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms (except the Bid cum Application Form for an RIB Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account with ASBA facility, details of which were provided by the Bidder in his/her respective ASBA Form, and shall not submit it to any non-SCSB bank or Escrow Collection Bank.

Electronic registration of Bids

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.

b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

NO PERSON OUTSIDE INDIA MAY BID FOR OFFERED SHARES UNLESS THAT PERSON HAS RECEIVED A PRELIMINARY OFFERING MEMORANDUM FOR THE OFFER, WHICH COMPRISES THE RED HERRING PROSPECTUS AND AN "INTERNATIONAL WRAP" THAT CONTAINS, AMONG OTHER THINGS, THE SELLING RESTRICTIONS APPLICABLE TO THE OFFER OUTSIDE INDIA.

Participation by the Promoter, associates/affiliate of the BRLM and the Syndicate Member

The BRLM and the Syndicate Member shall not be allowed to purchase Offered Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Member may Bid for the Offered Shares in the Net Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders. Where the allocation is on a proportionate basis, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLM and Syndicate Member, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Over-subscription to the extent of 1% of the Offer can be retained for the purpose of rounding off to the nearest multiple of the minimum Allotment lot while finalising the Basis of Allotment.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholder reserve the right to reject any Bid without assigning any reason therefor.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such 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 concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any Company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of the ASBA Form from the Designated Intermediaries. Eligible NRIs Bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("**NRE**") account or Foreign Currency Non-Resident ("**FCNR**") account for the full bid amount, while eligible NRIs Bidding on a non-repatriation basis by using the Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("**NRO**") account for the full Bid Amount, at the time of the submission of the ASBA Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the ASBA Form meant for Non-Residents (Blue in colour).

Bids by HUFs

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Bidder/ Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/ Applicantions by HUFs may be considered at par with Bids/ Applicantions from individuals.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of equity shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Offer equity share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by our Board followed by a special resolution passed by the shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

FPIs are permitted to participate in this Offer subject to compliance with conditions and restrictions which may be specified by the GoI from time to time. FPIs who wish to participate in this Offer are advised to use the ASBA Form for non-residents (Blue in colour). FPIs are required to Bid through the ASBA process to participate in this Offer.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III FPI and unregulated broad based funds, which are classified as Category II FPI by virtue of their investment manager being appropriately regulated, 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 that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made, by or on behalf of it, to any persons that are not regulated by an appropriate foreign regulatory authority.

An FPI is also required to ensure that any transfer of ODIs is made by, or on behalf of it subject to the following conditions:

(a) such ODIs are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the ODIs are to be transferred to are pre-approved by the FPI.

As per the circular issued by SEBI on November 24, 2014 in relation to "Conditions for issuance of Offshore Derivative Instruments under SEBI (Foreign Portfolio Investor) Regulations, 2014", these investment restrictions shall also apply to subscribers of offshore derivative instruments ("**ODIs**"). 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 in our Company.

Bids by SEBI-registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations, *inter-alia*, prescribe the investment restrictions on the VCFs, FVCIs and AIFs, respectively, registered with SEBI.

Accordingly, the holding in any company by any individual VCF or FVCI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up. Our Company, the Selling Shareholder or the BRLM shall not be responsible for the loss, if any, incurred by the Bidder on account of conversion of foreign currency.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Selling Shareholder or the BRLM shall not be responsible for the loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the ASBA Form. Failing this, our Company and the Selling Shareholder reserve the right to reject any Bid without assigning any reason therefor.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company in consultation with the Selling Shareholder, reserve the right to reject any Bid without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies, not being subsidiaries, as per the Banking Regulation Act, 1949, as amended (the "**Banking Regulation Act**"), and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids by SCSBs

SCSBs participating in this Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs.

Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholder reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, as amended ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them.

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the ASBA Form. Failing this, our Company and the Selling Shareholder reserve the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable, must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the Selling Shareholder reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Selling Shareholder, in consultation with the BRLM, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the ASBA Form.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholder, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time. The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by Eligible Employees under the Employee Reservation Portion

Bids by Eligible Employees under the Employee Reservation Portion shall be subject to the following:

(a) Made only in the prescribed Bid cum Application Form or Revision Form (*i.e.* Pink colour form).

(b) The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 500,000 (excluding Employee Discount). The maximum Bid in this category by an Eligible Employee cannot exceed ₹ [●] on a net basis. However, Allotment to an Eligible Employee in the Employee Reservation Portion may exceed ₹ [●] (which will be less Employee Discount) only in the event of an under-subscription in the Employee Reservation Portion and such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees bidding in the Employee Reservation Portion, for a value in excess of ₹ [●], subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000 (which will be less Employee Discount).

(c) Such Bidders should mention their employee identification number at the relevant place in the Bid cum Application Form.

(d) The Bidder should be an Eligible Employee as defined above. In case of joint bids, the First Bidder shall be an Eligible Employee.

(e) Only Eligible Employees would be eligible to apply in this Offer under the Employee Reservation Portion.

(f) Bids by Eligible Employees will have to Bid like any other Bidder. Only those Bids, which are received at or above this Offer Price, would be considered for Allotment under this category.

(g) Eligible Employees can apply at Cut-off Price. The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter subject to a maximum Bid Amount of ₹ 500,000 (excluding Employee Discount). However, Allotment to an Eligible Employee in the Employee Reservation Portion may exceed ₹ [●] (which will be less Employee Discount) only in the event of an under-subscription in the Employee Reservation Portion and such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees bidding in the Employee Reservation Portion, for a value in excess of ₹ [●], subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000 (which will be less Employee Discount).

(h) Bid by Eligible Employees can be made also in the "Net Offer to the Public" and such Bids shall not be treated as multiple Bids.

(i) If the aggregate demand in this category is less than or equal to 70,400 Equity Shares at or above this Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

(j) Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer. In case of under-subscription in the Net Offer, spill over to the extent of under subscription shall be permitted from the Employee Reservation Portion.

(k) If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the Allotment shall be made on a proportionate basis. For the method of proportionate basis of allocation, please refer to the section titled "*Offer Procedure – Allotment Procedure and Basis of Allotment*" on page 286 of this Red Herring Prospectus.

In accordance with existing regulations, OCBs cannot participate in this Offer.

The above information is given for the benefit of Bidders. Our Company and the Selling Shareholder, our Directors, the officers of our Company, the BRLM and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single bid from them doesnot exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under laws or regulations or as specified in this Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a Pre-Offer Advertisement, in the form prescribed under Part A of Schedule X of the SEBI ICDR Regulations, in all editions of the English national daily newspaper, Financial Express, all editions of the Hindi national daily newspaper, Jansatta and Kolkata edition of the Bengali daily newspaper, Arthik Lipi (Bengali being the regional language of West Bengal, where our Registered Office is located), each with wide circulation.

Information for Bidders

In addition to the instructions provided to Bidders, Bidders are requested to note the following additional information in relation to this Offer.

1. The relevant Designated Intermediary will enter each Bid option into the electronic Bidding system as a separate Bid and generate an acknowledgement slip ("**Acknowledgement Slip**"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three Acknowledgement Slips for each ASBA Form. It is the Bidder's responsibility to obtain the Acknowledgement Slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Offered Shares shall be allocated/ Allotted. Such Acknowledgement will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised Acknowledgement Slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

2. In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholder and/or the BRLM are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the Selling Shareholder, the management or any scheme of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

3. In the event of an upward revision in the Price Band, Retail Individual Bidders or Eligible Employees bidding in the Employee Reservation Portion who had Bid at Cut-off Price could either (i) revise their Bid; or (ii) shall make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed ₹ 200,000 (for Retail Individual Bidders) or ₹ 500,000 (for Eligible Employees bidding in the Employee Reservation Portion) if such Bidder wants to continue to Bid at Cut-off Price. The revised Bids must be submitted to the same Designated Intermediary to whom the original Bid was submitted. In case the Bid Amount for any Bid under the Retail Portion or Employee Reservation Portion exceeds ₹ 200,000 and ₹ 500,000, respectively, due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount, then such Bid may be rejected if it is at the Cut-off Price. If, however, the Retail Individual Bidder or Eligible Employee does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Offered Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Bidder or Eligible Employee

and the Retail Individual Bidder or Eligible Employee is deemed to have approved such revised Bid at Cut-off Price.

4. In the event of a downward revision in the Price Band, Retail Individual Bidders or Eligible Employees who have bid at the Cut-off Price may revise their Bid; otherwise, the excess amount paid at the time of Bidding would be unblocked after Allotment is finalised.

5. Any revision of the Bid shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Bid.

Signing of the Underwriting Agreement and the RoC Filing

Our Company and the Selling Shareholder and Member of Syndicate intend to enter into an Underwriting Agreement on or immediately after the finalisation of the Offer Price but prior to the filing of the Prospectus. After signing the Underwriting Agreement, our Company will file an updated Red Herring Prospectus with the RoC in accordance with the applicable law, which would be termed as the Prospectus. The Prospectus will contain details of the Offer Price, Offer Size and underwriting arrangements and would be complete in all material respects.

General Instructions

In addition to the general instructions provided in General Information Document for Investing in Public Issues, Bidders are requested to note the additional instructions provided below

Do's:

1. All Bidders should submit their Bids through the ASBA process only;

2. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable laws, rules, regulations, guidelines and approvals;

3. Ensure that you have Bid within the Price Band;

4. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

5. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Offered Shares will be in the dematerialised form only;

6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the concerned Bidding Centre within the prescribed time;

7. Ensure that the ASBA Form is signed by the account holder in case the Bidder is not the ASBA Account holder. Ensure that you have mentioned the correct ASBA Account number in the ASBA Form (for all Bidders other than RIBs bidding using through the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of RIBs bidding through the UPI Mechanism;

8. RIBs Bidding using the UPI mechanism should ensure that the correct UPI ID is mentioned in the Bid cum Application Form;

9. RIBs Bidding shall ensure that the bank, with which such RIB has a bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by the NPCI;

10. Ensure that you request for and receive a stamped Acknowledgement Slip of the ASBA Form for all your Bid options from the concerned Designated Intermediary as proof of registration of the ASBA Form;

11. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;

12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and

obtain a revised Acknowledgment Slip;

13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications wherein PAN is not mentioned will be rejected;

14. Ensure that the Demographic Details are updated, true and correct in all respects;

15. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

16. Ensure that the name(s) given in the ASBA Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the ASBA Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the ASBA Forms (for all Bidders other than RIBs Bidding using the UPI mechanism);

17. Ensure that you tick the correct investor category and the investor status, as applicable, in the ASBA Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust, etc., all relevant documents are submitted;

19. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;

20. Ensure that the DP ID, the Client ID and the PAN in the ASBA Form entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database;

21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the ASBA Form and the Red Herring Prospectus;

22. Ensure that while Bidding through a Designated Intermediary that the Bid cum Application Form is submitted to a Designated Intermediary (other than for and RIBs Bidding through the UPI mechanism) in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);

23. Ensure that you have mentioned the correct ASBA Account number in the ASBA Form;

24. Ensure that you have correctly signed the authorization/undertaking box in the ASBA Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank via the electronic Mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the ASBA Form;

25. For RIBs bidding using the UPI mechanism, ensure that you approve the request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment, in a timely manner;

26. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI mandate request and then proceed to authorise the UPI request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI mandate request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;

27. RIBs bidding using the UPI mechanism should mention valid UPI ID of only the Applicant (in case of single account) and of the first Applicant (in case of joint account) in the Bid cum Application Form; and

28. RIBs bidding using the UPI mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of allotment in a timely manner.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid or revise Bid Amount to a price less than the Floor Price or higher than the Cap Price;

3. Do not Bid on another ASBA Form after you have submitted a Bid to the Designated Intermediary;

4. Do not pay the Bid Amount by cheques and demand drafts or in cash, by money order or by postal order or by stock invest;

5. Do not send ASBA Forms by post. Instead submit the same to a Designated Intermediary;

6. Do not Bid on a physical ASBA Form that does not have the stamp of a Designated Intermediary;

7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

8. Do not submit more than one ASBA Forms per ASBA Account;

9. Do not submit more than 1 Bid cum Application Form for each UPI ID in case of RIB bidding through the Designated Intermediary using the UPI Mechanism;

10. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders) and ₹ 500,000 for Bids by Eligible Employees under the Employee Reservation Portion;

11. Do not fill up the Bid cum Application Form such that the Offered Shares Bid for exceeds this Offer size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or maximum amount permissible under the applicable laws or under the terms of the RHP/ Prospectus;

12. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

13. Do not make applications using third party bank accounts or using third party linked bank account UPI IDs;

14. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIBs bidding through the Designated Intermediaries using the UPI mechanism;

15. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIB Bidder using the UPI mechanism;

16. Do not submit the General Index Registration ("**GIR**") number instead of the PAN;

17. Do not submit the Bids without instructions to block funds equivalent to the Bid Amount in the ASBA Account;

18. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to this Offer;

19. Do not submit incorrent UPI ID details, if you are a RIB bidding through UPI Mechanism;

20. Do not link the UPI ID with the bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bid submitted by RIB using UPI Mechanism;

21. Do not submit Bids on plain paper or on incomplete or illegible ASBA Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

22. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

23. Do not submit the Bid cum Application Form with third party bank accounts or using third party UPI ID (in case of Bids submitted by RIB using UPI Mechanism);

24. Do not submit your Bid after 3.00 pm on the Bid/Offer Closing Date;

25. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per demographic details provided by the Depository);

26. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidders; and

27. Do not submit Bids to a Designated Intermediary at a Bidding Centre unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in the relevant Bidding Centre, for the Designated Intermediary to deposit the Bid cum Application Forms.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document for Investing in Public Offer – Offer Procedure in Book Built Offer – Rejection & Responsibility for Upload of Bids – Grounds for Technical Rejections Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSB to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

5. Bids submitted without the signature of the First Bidder or Sole Bidder;

6. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

7. ASBA Form by the Retail Individual Bidders by using third party bank accounts or using third party

linked bank account UPI IDs;

8. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;

9. GIR number furnished instead of PAN;

10. Bids by Retail Individual Bidders or Eligible Employees bidding in the Employee Reservation Portion with Bid Amount for a value of more than ₹ 200,000 or ₹ 500,000, respectively;

11. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

12. Bids accompanied by stock invest, money order, postal order or cash;

13. Bids by persons outside India who have not received a preliminary offering memorandum for this Offer, which comprises the Red Herring Prospectus and an "International Wrap" that contains, among other things, the selling restrictions applicable to this offer outside India; and

14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges.

Names of entities responsible for finalizing the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the BRLM and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of Allotment as prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares through the Offer Document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than one percent of the Net Offer may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Bidders, Eligible Employees shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Mode of making refunds

The funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company.

(a) In case of ASBA Bids: Within six (6) Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Accounts for unsuccessful Bids or for any excess amount blocked on Bidding.

INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

Our Company shall allot the Equity Shares within the period prescribed by SEBI. Our Company further agrees that it shall pay interest at the rate of fifteen (15) per cent. per annum if the allotment letters or refund orders/ unblocking instructions have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within six (6) days from the date of the closure of the Offer.

Depository Arrangements

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

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-Section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"Any person who:

(a) ***makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***

(b) ***makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***

(c) ***otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."***

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six (6) months extending up to ten (10) years (provided that where the fraud involves public interest, such term shall not be less than three (3) years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. Further, where the fraud involves an amount which is the lesser of ₹ 1 million or 1% of the turnover of the Company and does not involve public interest, such fraud is punishable with imprisonment which may extend to five (5) years or fine which may extend to ₹ 5 million or with both.

Undertakings by our Company

Our Company undertakes that:

- if our Company and/or the Selling Shareholder do not proceed with this Offer after the Bid/Offer Closing Date but prior to allotment, the reason thereof shall be given as a public notice within two (2) days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer Advertisements were published. The Stock Exchanges shall also be informed promptly;

- the Promoter's Contribution in full has been brought in to the extent of not less than the specified minimum lot, as required under the SEBI ICDR Regulations;

- the complaints received in respect of this Offer shall be attended to by our Company expeditiously and satisfactorily;

- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken, within the time period as may be prescribed;

- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law for the delayed period;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within such time as prescribed under the applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit for the refund;

- no further Offer of Equity Shares shall be made until the Offered Shares are listed or until the Bid monies are unblocked in ASBA Account on account of non-listing, under-subscription, etc.;

- our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time; and

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders.

Undertakings by the Selling Shareholder

The Selling Shareholder undertakes the following:

- It is the legal and beneficial holder and has valid and full title to the Equity Shares being offered by it under the Offer for Sale;

- The Equity Shares are free and clear of all liens or encumbrances and shall be transferred to the successful Bidders within the specified time;

- None of the Equity Shares of our Company held by it are pledged with any bank or financial institution as collateral security for loans granted by such banks or financial institutions or with any other creditor;

- The Equity Shares offered for sale by the Selling Shareholder are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations.

- There shall be no recourse to the proceeds of this Offer until the final listing and trading approvals have been obtained from all the Stock Exchanges where listing is proposed.

- If the permission to deal in and for quotation of Equity Shares of our Company held by the President of India, acting through MoS as part of this offer for sale portion in this Offer ("**Offer for Sale Shares**"), is not granted by any of the Stock Exchanges, the Selling Shareholder shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Red Herring Prospectus. If such money is not repaid within Fifteen (15) days after the Selling Shareholder becomes liable to repay it, then Selling Shareholder shall, on and from expiry of Fifteen (15) days, be liable to repay the money, with interest in accordance with the applicable law;

- In relation to this Offer for Sale Shares, the funds required for making refunds to unsuccessful applicants or dispatch of allotment advice by registered post or speed post as per the Modes described in the Red Herring Prospectus and the Prospectus shall be made available to the Registrar to this Offer;

- Where the refunds are made through electronic transfer of funds, suitable communication shall be sent to the applicant(s) within six (6) working days of Bid/Offer Closing Date, or such other time period as may be prescribed by SEBI, giving details of the bank(s) where refunds shall be credited along with the amount and expected date of electronic refund;

- The certificates of the securities/refund orders or allotment advice to the Bidders, including those to non-residents Indians shall be dispatched within the specified time;

- It will take all such steps as may be required to ensure that the Equity Shares are available for transfer in this Offer for Sale;

- It will not sell, transfer, dispose of in any manner or create any lien, charge or encumbrance on the Equity Shares available in this Offer for Sale;

- It shall not sell or transfer, charge, pledge or otherwise encumber any locked-in Equity Shares proposed to form part of minimum promoter's contribution during the period starting from the date of filing this Red Herring Prospectus with the SEBI till the date of commencement of lock-in period, as stated in this Red Herring Prospectus and thereafter, till such time that the lock-in remains effective, save and except as may be permitted under the SEBI ICDR Regulations, including *inter-se* transfer under Regulation 22 of the SEBI ICDR Regulations; and

- It has authorized the Compliance Officer of our Company and the Registrar to this Offer to redress any complaints received from Bidders in respect of this Offer for Sale.

The decisions with respect to the Price Band, the minimum Bid lot, reservations in this Offer, the rupee amount of the Retail Discount and the Employee Discount, as applicable, revision of the Price Band, the Offer Price, shall be taken by our Company and the Selling Shareholder, in consultation with the BRLM.

Utilisation of Offer Proceeds

The Selling Shareholder along with our Company declare that all monies received out of this Offer shall be credited/ transferred to a separate bank account other than the bank account referred to in sub-Section (3) of Section 40 of the Companies Act, 2013.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Accordingly, the process for FDI and approval from the GoI will now be handled by the concerned ministries or departments, in consultation with the DIPP, Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017 has notified the specific ministries handling relevant sectors.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DIPP issued the Consolidated FDI Policy, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect prior to August 28, 2017.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy or regulations issued under FEMA; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the GoI, OCBs cannot participate in this Offer.

For further details, please refer to the section titled "*Offer Procedure*" on page 286 of this Red Herring Prospectus.

The offer and sale of the Equity Shares has 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. Accordingly, the Equity Shares are being offered and sold (i) within the United States to U.S. QIBs and (ii) outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and applicable laws of the jurisdictions where such offers and sales occur.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholder and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION IX: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:

Pursuant to the Companies Act and the SEBI ICDR Regulations the main provisions of our Articles of Association relating to, among others, voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalised/ defined terms herein have the same meaning given to them in our Articles. Subject to our Articles, any words or expression defined in the Companies Act, 2013 shall, except so where the subject or context forbids; bear the same meaning in these Articles.

Articles	Article No.	Particulars
Government Company	**1.**	"**Government Company**" means a Government Company as defined under Section 2(45) of the Act.
		SHARE CAPITAL AND VARIATION OF RIGHTS
Authorized Capital.	**6.**	The Authorized Share Capital of the Company shall be such amount and be divided into such Shares, as may be mentioned in Clause VI of Memorandum of Association of the Company, from time to time, with such rights, privileges and conditions attached thereto as may be provided by the Company and with powers to the Company as permitted by the Act and Applicable Law to increase, reduce or modify the said Capital and divide the Shares of the Company into several classes and attach thereto preferential, qualified or special rights, privileges or conditions as may be determined by the Company subject to provisions of the Act and other Applicable Law, and to vary, modify or abrogate any such rights, privileges, or conditions in such manner as may for the time being be provided by the Articles of the Company and allowed by Applicable Law.
Shares at the disposal of the Directors	**7.**	Subject to the provisions of Applicable Law, these Articles and the rights of the President of India, the Shares and Securities of the Company for the time being shall be under the control of the Board of Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Board thinks fit, and may issue and allot Shares in the Capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to issue Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.
Company not bound to recognize any interest in share other than that of registered holders.	**8.**	Except as ordered by a Court of competent jurisdiction or as required by law, no person shall be recognised by the Company as holding any Share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof), any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.
		ISSUE OF SHARE CERTIFICATES

Share Certificates	**9.**	Subject to the Applicable Law, no certificate of title to any share or shares in the Company shall be issued except in pursuance of a resolution passed by the Board and on surrender to the Company of its letter making the allotment.
	10.	Subject to the Applicable Law and the bye laws of the stock exchanges, every Member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fees as the Directors may from time to time determine) to several certificates, each for one or more of such Shares and the Company shall complete and have ready for delivery of such certificates within three (3) months from the date of allotment unless the conditions of issue thereof otherwise provide, or within fifteen (15) days of the receipt of the application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares, as the case may be.
	11.	Provided that in case of Securities held by the Member in dematerialized form, no Share Certificates shall be issued or otherwise as may be decided by the Board of Directors as per the requirements of the Act or any other Applicable Law.
	12.	No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out or where the cages on the reverse for recording transfers have been fully utilized unless the certificates in lieu of which it is issued is surrendered to the Company or otherwise as may be decided by the Board as per the requirements of the Act or any other Applicable Law.
Issue of new certificates in place of those defaced, lost or destroyed.	**13.**	If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Article shall be issued without payment of fees. Provided that notwithstanding what is stated above the Directors shall comply with the applicable provisions of the Act and Applicable Law including the rules or regulations or requirements of any statutory modification or re-enactment thereof, for the time being in force.
	14.	Every certificate of shares shall be under the Seal of the Company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the Directors may prescribe or approve, provided that in respect of a Share or Shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several right holders shall be sufficient delivery to all such holders.
	15.	Particulars of every share certificate issued shall be entered in the register of members maintained in the form set out in the Companies Act, 2013 against the name or names of the person or persons to whom it has been issued indicating the date of issue.
The first named joint holder deemed Sole holder.	**16.**	If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.
Maximum number	**17.**	The Company shall not be bound to register more than three (3) persons as

of joint holders.		the joint holders of any Share.
Instalment on shares to be duly paid.	**18.**	If by the conditions of allotment of any Securities the whole or part of the amount or issue price thereof shall be payable by instalment, every such instalment shall when due be paid to the Company by the Person who for the time being and from time to time shall be the registered holder of the Securities or his legal representative, subject to Applicable Law.
Printing of Share Certificates	**19.**	All blank forms to be issued for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine numbered and the forms and the blocks, engravings, fascimiles and hues relating to the printing of such forms shall be kept in the custody of the secretary or such other person as the Board may appoint for the purpose; and the secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.
	LIEN	
Company to have Lien on Securities	**20.**	(i) The Company shall have a first and paramount lien— (a) on every Securities (not being fully-paid) registered in the name of each member (whether solely or jointly with others), and upon the sale proceeds for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of such Securities and no equitable interest in any Securities shall be created except upon the footing and condition that this Article will have full effect. Unless otherwise agreed the registration of a transfer of Securities shall operate as a waiver of the Company's lien if any, on such Securities; and (b) on all Securities (not being fully-paid) standing registered in the name of a single person, for all moneys presently payable by him or his estate to the Company: Provided that the Board of Directors may at any time declare any securities to be wholly or in part exempt from the provisions of this clause. Provided that, fully paid Securities shall be free from all lien and that in case of partly paid Securities, the Company's lien shall be restricted to money's called or payable at a fixed time in respect of such Securities. (ii) The Company's lien, if any, on Securities shall extend to all dividends and bonuses payable thereon from time to time declared in respect of such Securities.
Sale of shares on lien	**21.**	The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien: Provided that no sale shall be made— (i) unless a sum in respect of which the lien exists is presently payable, or (ii) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently) payable, has been given to the registered holder for the time being of the share or that person entitled thereto by reason of his death or insolvency.
Transfer of shares on Lien	**22.**	(i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof. (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer. (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
Application of the proceeds of sale	**23.**	(i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. (ii) The residue, if any, shall subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares		
Calls on and forfeiture of shares.	**24.**	(i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times: Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call. (ii) Each member shall, subject to receiving at least fourteen (14) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares. (iii) A call may be revoked or postponed at the discretion of the Board.
	25.	A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
	26.	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
	27.	(i) If a sum called in respect of a share is not paid before or on the day appointed thereof, the person from whom the sum is due shall pay interest thereon from the date appointed for payment thereof to the time of actual payment at ten percent (10%) per annum or at such lower rate, if any, as the Board may determine. (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
	28.	(i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. (ii) In case of non-payment of such sum, all the relevant provisions of these regulation as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
	29.	The Board— (i) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and (ii) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in General Meeting shall otherwise direct, twelve percent per annum, as may be agreed upon between the Board and the member paying the sum in advance.
TRANSFER OF SHARES		
Execution of the instrument of Securities	**30.**	Subject to the provisions of the SEBI Listing Regulations, the instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
Transfer Form.	**31.**	The instrument of transfer of any share or debenture shall be in common form and in writing and all the provisions of Section 56 of the Act and statutory modification(s) thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange;
Holding / transfer /	**32.**	Notwithstanding any provisions contained in these Articles regarding

transmission of Securities in electronic form:		issuance/deal-in / holding / transfer / transmission of shares, the provisions of the Depositories Act, as amended from time to time and the rules and regulations framed there under shall apply for holding / transfer / transmission of Securities in electronic form. The Company shall keep Register of Members and Register of Beneficial Owners in accordance with all applicable provisions of the Act, and the Depositories Act with details of Securities held in dematerialized form in any medium as may be permitted by Applicable Law including in any form of electronic medium.
Delegation of Power to transfer	**33.**	The Board of the Company may delegate the power of transfer of Securities to a committee or to compliance officer or to the Registrar to an issue and/or share transfer agent(s). Provided further that the delegated authority shall report on transfer of Securities to the Board in each meeting.
Restriction on Transfer of Shares	**34.**	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Board may, at its own absolute discretion and without assigning any reasons, decline to register or acknowledge: (i) the transfer of a share, whether fully paid or not (notwithstanding that a proposed transferee be already a member), to a person of whom they do not approve; or (ii) any transfer of shares on which the Company has a lien, but in such cases it shall, within thirty (30) days from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor, notice of the refusal to register such transfer. Provided that registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on the shares.
	35.	The Board may also decline to recognise any instrument of transfer or transmission unless- (i) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of Section 56 of the Act; (ii) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and (iii) the instrument of transfer is in respect of only one class of shares.
	36.	On giving not less than seven days' previous notice in accordance with Section 91 of the Act and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine: Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
		TRANSMISSION OF SHARES
	37.	(i) On the death of a member, the survivor or survivors where the member was a joint holder, and his legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares. (ii) Nothing in (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
Nomination	**38.**	Every holder of Securities of the Company may at any time nominate a person to whom his Securities of the Company shall vest in the event of death of such holder in accordance with the Act, Depository Act and other Applicable Law.

Transmission in the name of the nominee	**39.**	(i) Any person becoming entitled to Shares in consequence of the death, lunacy, bankruptcy or insolvency of any Member or by any lawful means other than by a transfer in accordance with These Presents, may with the consent of the Board and subject as hereinafter provided, elect, either: (a) to be registered himself as holder of the Shares, as the case may be; or (b) to make such transfer of the Shares, as the case may be could have made. Provided nevertheless that it shall be lawful for the Directors in their absolute discretion to dispense with the production of any evidence including any legal representation upon such terms as to indemnity or otherwise as the Directors may deem fit. (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the Share before his death or insolvency.
	40.	(i) If the person so becoming entitled shall elect to be registered as holder of share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the Share. (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
	41.	Subject to the provisions of Section 56 of the Act and these Articles, the Board may register the relevant Securities in the name of the nominee of the transferee as if the death of the registered holder of the Securities had not occurred and the notice or transfer were a transfer signed by that shareholder.
Compliance of notice	**42.**	A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company: Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all the dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.
Transfer Books when closed	**43.**	The Board shall give previous notice of such period as may be specified under Applicable Law, by advertisement in some newspaper circulating in the district in which the Registered Office of the Company is situated, in accordance with Section 91 of the Act and the Rules made thereunder and Applicable Law, to close the transfer books, the Register of Members, or the register of other Security holders at such time or times and for such period or periods, as prescribed under Applicable Law.
	44.	The director shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee, as if he was the transferee named in an ordinary transfer presented for registration.
Shares held by Nominee	**45.**	So far as concerned any Share held by any person as a nominee of the President of India— i. On the President requiring him to transfer any such share to the President of India or to any other person or persons nominated by him and on his failure

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<tr><td></td><td></td><td>to effect such transfer; or
ii. On any such person becoming of unsound mind or becoming or being adjudicated, as insolvent, or on such person being a company, being wound up voluntarily or by the court or subject to the supervision of the Court, the following provisions shall take effect, namely—

a) the President of India may at any time serve the Company with a requisition to enforce the transfer of any such share; and

b) the Company shall thereupon forthwith give to the holder of such share, or where the holder has become of unsound mind, to his nominee or other guardian, or where the holder has become or been adjudicated an insolvent to the assignee of his estate and effects, or where the holder is dead or being a company has been wound up as aforesaid to its liquidator, notice in writing of the requisition and unless within fourteen (14) days thereafter, the holder or as the case may be, the nominee or guardian or assignee of heirs or legal representatives of such holder shall execute in favour of the President of India or of any person or persons nominated by him a proper transfer in the prescribes form in respect of such share to the President of India or any other person or persons nominated by him in that behalf, the Company may at any time thereafter execute a transfer in respect of such share for and on behalf of such holder or of his estate, and the same, shall be deemed to have been duly and properly executed for and on behalf of such holder or of his estate, and thereupon the holder of his estate shall cease to have any interest whatsoever in such share and the certificate of such share, if not handed over as aforesaid shall thereupon stand cancelled and be and become void and of no effect, and the Company shall be entitled thereafter to issue a new certificate in lieu thereof in favour of the President of India or of such person or persons as he may nominate.</td></tr>
<tr><td></td><td>46.</td><td>No share shall be issued/allotted/registered in a name of the minor.</td></tr>
<tr><td colspan="3">DEMATERIALISATION OF SHARES</td></tr>
<tr><td>Dematerialization of Securities</td><td>47.</td><td>MSTC Limited shall seek admission of Company's securities in the Depository system of Central Depository Service (India) Ltd. to dematerialize the certificates of shareholders of the Company who wish to do so.

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<tr><td colspan="3">FORFEITURE OF SHARES</td></tr>
<tr><td>Forfeiture of shares</td><td>48.</td><td>If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.</td></tr>
<tr><td></td><td>49.</td><td>The notice aforesaid shall—
(i) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
(ii) state that, in the event of non-payment on or before the day so named, the Shares in respect of which the call was made will be liable to be forfeited.</td></tr>
<tr><td></td><td>50.</td><td>If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.</td></tr>
<tr><td></td><td>51.</td><td>(i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the</td></tr>
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		forfeiture on such terms as it thinks fit.
	52.	(i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the Shares. (ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the Shares.
Declaration by the Directors	**53.**	(i) A duly verified declaration in writing that the declarant is a director, the managing director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share. (ii) The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed of. (iii) The transferee shall, thereupon, be registered as the holder of the Share. (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.
Regulations of Forfeiture	**54.**	The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
CONVERSION OF SHARES INTO STOCK		
Conversion of shares into stock	**55.**	Subject to the provisions of Section 61, the Company may, by ordinary resolution— (a) consolidate and divide all or any of its share capital into Shares of larger amount than its existing shares; (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
Transfer of stock	**56.**	The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations and which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: Provided that the Board may, from time to time, fix the minimum amount of stock transferable so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
Rights of stock holder	**57.**	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
Regulations of the Company	**58.**	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid-up shares shall apply to stock and the words, “share” and “shareholder” in those regulations shall include “stock” and “stockholder” respectively.
ALTERATION OF CAPITAL		
Alteration of Capital	**59.**	The Company, may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution, subject to such directions as may be issued by the

		President of India in this behalf.
Increase of Capital	**60.**	Subject to the provisions of the Act and such directions as may be issued by the President of India in this behalf, new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the General Meetings resolving upon the creation thereof shall direct if no direction be given as the directors shall determine: all equity shares shall be of the same class and shall be alike in all respects and the holders thereof shall be entitled to identical rights and privileges including without limitation to identical rights and privileges with respect to dividends, voting rights, and distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company. Subject to the approval of the President of India, the Company has power, from time to time, to increase its authorised or issued and Paid up Capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient and may issue Shares (whether forming part of original capital or any increased capital) in accordance with the provisions of Section 42, 55 and 62 of the Act and Rules made thereunder and these Articles.
	61.	Subject to Applicable Law and the approval of the President of India, the Board may allot and issue shares of the Company as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or the acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any shares which may be so allotted may be issued as fully/partly Paid Up Shares and if so issued shall be deemed as fully/partly Paid Up Shares.
Consolidation, Sub-Division and Cancellation	**62.**	The amount payable on application on each equity Share shall not be less than 5 percent of the nominal value of the equity Share or as may be specified by SEBI.
	63.	Subject to the approval of the President of India, nothing herein contained shall prevent the Directors from issuing fully paid up equity Shares either on payment of the entire nominal value thereof in cash or in satisfaction of any outstanding debt or obligation of the Company.
	64.	All of the provisions of these Articles shall apply to all of the Shareholders of the Company.
	65.	Any application signed by or on behalf of an applicant for equity Shares in the Company, followed by an allotment of any equity Shares therein, shall be an acceptance of equity Shares within the meaning of these Articles and every person who thus or otherwise accepts any equity Shares and whose name is on the Register of Shareholders shall for the purposes of these Articles be a Shareholder.
	66.	The money, (if any), which the Board shall, on the allotment of any equity Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any equity Shares allotted by them, shall immediately on the insertion of the name of the allottee, in the Register of Shareholders as the name of the holder of such equity Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
Issue of other Securities	**67.**	Subject to the approval of the President of India, the Company may issue Securities, other than shares, in accordance with the provisions of Sections 42, 71 and other applicable provisions of the Act and rules made thereunder and these Articles.
New Capital same as existing capital	**68.**	Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture,

		lien, surrender, transfer and transmission, voting and otherwise.
Capitalization of Profits	**69.**	(1) The Company in General Meeting may, upon the recommendation of the Board resolve— (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in Article 72(2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (2) The sum aforesaid shall not be in cash but shall be applied, subject to the provision contained in Article 72(3) either in or towards— (a) paying up any amounts for the time being unpaid on any shares held by such members respectively; (b) paying up in full, unissued shares or debentures of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b). (3) A Securities premium account and a capital redemption reserve fund may, for purposes of this Article, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares. (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
	70.	(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall— (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and (b) generally do all acts and things required to give effect thereto. (2) The Board shall have full power— (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise, as it thinks fit, for the case of shares or debentures becoming distributable in fractions; and also (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares. (3) Any agreement made under such authority shall be effective and binding on all such members.
Reduction of capital	**71.**	The Company may (subject to the provisions of Sections 52, 55, 66, 69 and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce: (a) the share capital; (b) any capital redemption reserve account; or (c) any security premium account. In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.
GENERAL MEETINGS		

Annual General Meetings	**72.**	Subject to provisions of Section 96 of the Act, the Company shall hold each year in addition to any other meetings, a General Meeting as its Annual General Meeting and shall specify the meeting as such in the notices calling it and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next.
Distinction between General Meeting and Extraordinary General Meeting	**73.**	All the General Meetings of the Company other than Annual General Meeting shall be called Extra-ordinary General Meetings.
Extra-Ordinary General Meeting by Board and by requisition	**74.**	The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the Members.
When a Director or any two Members may call an Extra Ordinary General Meeting	**75.**	If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.
Notice of the Meeting	**76.**	Subject to the provisions contained in Section 101 of the Act a General Meeting may be called by giving not less than clear twenty one (21) days' notice in writing or through Electronic Mode to every Member or legal representative of any deceased Member or the assignee of an insolvent Member, every Auditor(s) and Director of the Company specifying the day, date, place and hour of General Meetings, containing a statement of the business to be transacted thereat, in such a manner as may be prescribed in the rules under the Act and Applicable Law(s). A General Meeting may be called by giving not less than clear twenty-one (21) days notice either in writing or through electronic mode in such manner as may be prescribed: Provided that a General Meeting may be called after giving shorter notice than that if consent, in writing or by electronic mode, is accorded thereto— (i) in the case of an Annual General Meeting, by not less than ninty-five per cent of the members entitled to vote thereat; and (ii) in the case of any other general meeting, by members of the Company— (a) holding, if the Company has a share capital, majority in number of members entitled to vote and who represent not less than ninety-five per cent. of such part of the paid-up share capital of the company as gives a right to vote at the meeting; or (b) having, if the Company has no share capital, not less than ninty-five per cent of the total voting power exercisable at that meeting: Provided further that where any member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members shall be taken into account in respect of the former resolution or resolutions and not in respect of the latter as required by Section 101 of the Act. . The accidental omission to give notice to the non-receipt thereof by any Member shall not invalidate any resolution passed at any such Meeting.
Quorum	**77.**	No business shall be transacted at any General Meeting unless a quorum of members is present as per the provisions of the Act, at the time when the meeting proceeds to business.

		Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103 of the Act.
Chairman of the Meeting	**78.**	The Chairman, if any, of the Board shall preside as Chairman at every General Meeting of the Company. If there is no such Chairman, or if he is unwilling to act as Chairman or if he is unable to be present owing to unavoidable circumstances, or if he is not present within fifteen minutes after the time appointed for the holding the meeting, the relevant provisions of Schedule I, Table F of the Act shall apply.
	79.	In any meeting no director is willing to act as chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be the chairman of the meeting.
Adjournment of meeting	**80.**	a) The Chairman, may with the consent of the majority of Members personally present at a meeting at which a quorum is present (and shall if so directed by such majority), adjourn that meeting from time to time and from place to place. b) No business shall be transacted at any adjourned Meeting other than the business left unfinished at the meeting from which adjournment took place. c) When a Meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as nearly as may be as in the case of an original meeting. d) Save as aforesaid and as provided in Section 103 of the Act, it shall not be necessary to give any notice of the business to be transacted at an adjourned Meeting.
	VOTES OF MEMBERS	
Members in arrears not to vote.	**81.**	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.
	82.	In the case of an equality of votes, the chairman of the Board, if any, shall be entitled to a second or casting vote.
		Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
Number of votes each member entitled.	**83.**	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such Meeting, and on a show of hands every Member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be laid down as in Section 47 of the Act.
Casting of votes by a member entitled to more than one vote.	**84.**	On a poll taken at a Meeting of the Company, a Member entitled to cast more than one vote, may cast his vote pertaining to shares held by him in the Company, differently from the vote casted by him while acting as a proxy for other Member.
Vote of member of unsound mind and of minor	**85.**	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
Postal Ballot	**86.**	Notwithstanding anything contained in the provisions of the Act, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by Postal Ballot in compliance with Applicable Law, shall, get any such business / resolutions passed by means of Postal Ballot (including e-voting), instead of transacting the business in the General Meeting of the Company.

E-Voting	**87.**	A member may exercise his vote at a Meeting by electronic means in accordance with Section 108 of the Act.
Votes of joint members.	**88.**	In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
Votes may be given by proxy or by representative	**89.**	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly authorised as mentioned in Articles.
Representation of a body corporate.	**90.**	A body corporate (whether a company within the meaning of the Act or not) may, if it is Member or creditor of the Company (including being a holder of Debentures) authorise such person by resolution of its Board, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.
Members paying money in advance.	**91.**	A Member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.
Members not prohibited if share not held for any specified period.	**92.**	A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.
Votes in respect of shares of deceased or insolvent members.	**93.**	Any person entitled to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.
No votes by proxy on show of hands.	**94.**	No Member shall be entitled to vote on a show of hands unless such Member is present personally or by attorney or is a body Corporate present by a representative duly authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.
		(i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. (ii) Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.
Appointment of a Proxy.	**95.**	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
Form of proxy.	**96.**	An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105 of the Act read with the rules prescribed

		thereunder and as amended from time to time.
Validity of votes given by proxy notwithstanding death of a member.	**97.**	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.
Time for objections to votes.	**98.**	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
Chairperson of the Meeting to be the judge of validity of any vote.	**99.**	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.
Representatives of the President at Meeting of the Company	**100.**	a) The President of India may, so long as he is a member of the Company within the meaning of the Act, authorize from time to time such persons, whether a member of the Company or not as he thinks fit to act as his representative at any General Meeting of the Company or at any meeting of any class of members of the Company. b) The President of India may, if he is a creditor including a holder of debentures of the Company within the meaning of the Act, authorize from time to time, such person as he thinks fit to act as his representative at any meeting of any creditors of the Company held in pursuance of the Act or of any rules made therein or in pursuance of the provisions contained in any debenture or trust deed, as the case may be. c) The President of India may, from time to time, revoke or cancel any authorization made in sub-clause (a) or sub-clause (b) of these Articles and make any fresh authorization or authorizations. d) The production at the meeting of the Company or at the meeting of any Creditors of the Company of an order made and executed in the name of the President of India authenticated as provided by the Constitution of India in respect of such authorization, revocation or cancellation as aforesaid shall be accepted by the Company as sufficient and conclusive evidence thereof. e) Any person authorized by the President of India to represent him as aforesaid may, if so authorized by the order of the President of India, appoint another person whether a member or not, as a proxy or substituted authority, whether special or general, to represent the President of India as aforesaid. f) Any person authorized or appointed as aforesaid shall be entitled to exercise the same rights or powers including the right to vote by proxy, on behalf of the President of India whom he represents, as the President of India could exercise as member, creditor or holder of debenture of the Company.
BOARD OF DIRECTORS/CHAIRMAN/MANAGING DIRECTOR/GENERAL MANAGER		
Company to be managed by a Board of Directors	**101.**	The Business of the Company shall be managed by a Board of Directors subject to the compliance of conditions stipulated under the Act, SEBI Listing Regulations, Rules and Regulations of the Stock Exchanges, Department of Public Enterprises Guidelines or under the provisions of any other Applicable Law as modified from time to time.
Number of Directors	**102.**	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 and Section 152(6) of the Act, the number of directors (including Debenture and Alternate Directors) shall not be less than three and maximum up to such number as may be decided by the President of India of India. Subject to the provisions of Section 152(6) of the Act, a Director who by virtue of the provisions of any agreement with the Company shall not be

		liable to retire by rotation. A retiring Director shall be eligible for re-election.
Qualification shares.	**103.**	A Director of the Company shall not be bound to hold any qualification Shares in the Company.
President to Appoint Directors and Determine their Remuneration	**104.**	Subject to the provision of the Act, the Chairman or the Chairman-cum-Managing Director shall be appointed and the terms and conditions of his appointment be settled by the President of India. In addition to the Chairman or Chairman-cum-Managing Director appointed in the aforesaid manner, the President of India, may in consultation with the Chairman, appoint Managing Director, one or more whole time director(s) and non-rotational part-time directors, the number of which alongwith the Chairman or Chairman-cum-Managing Director in aggregate shall not exceed one-third of the total number of directors of the Company. The directors who are liable to retire by rotation will be appointed in annual general meeting on nomination by the President of India in consultation with the Chairman of the Company. The Chairman or Chairman-cum-Managing Director and/or Managing Director or directors shall be paid such remuneration as the President of India may from time to time determine. Further, subject to the provisions of Section 188 of the Act, such reasonable remuneration as may be fixed by the President of India may be paid to any one or more of the directors for extra or special service rendered by him or them or otherwise.
Chairman and Managing Director	**105.**	The President of India at his discretion may appoint the same persons or two different persons as the Chairman of the Board of Directors and the Managing Director of the Company for such period and on such terms and conditions as he may think fit and may revoke such appointment. The Chairman and the Managing Directors so appointed shall be entitled to hold office till the expiry of his tenure unless removed earlier by the President of India and any vacancy arising either by death, removal, resignation or otherwise may be filled by fresh appointment by the President of India.
Determination of period of appointment by the President	**106.**	The Directors appointed shall be entitled to hold office for such period as the President of India may determine. Further, the President of India may from time to time or at any time remove any part-time Director, from office at his absolute discretion.
Vacancy of Directors	**107.**	The vacancy in the office of a Director caused by retirement, removal, resignation, death or otherwise as mentioned in the Act, shall be filled by reappointment or fresh appointment by the President of India.
Retirement of Directors by Rotation	**108.**	At every annual general meeting one-third of part-time directors liable to retire by rotation shall retire. The director or directors to retire by rotation shall be those who have been longest in office since their last appointment but as between persons who become director or directors on the same date those who are to retire shall be determined by the President of India. A retiring director shall be eligible for reappointment on nomination by the President of India. The Chairman and/or Chairman-cum-Managing Director and Managing Director and whole time directors shall retire on their ceasing to hold the office of the Chairman or Chairman-cum-Managing Director or Managing Director or whole time directors.
Removal of Directors	**109.**	The President may from time, to time or at any time remove any part-time director from office at his discretion. The Chairman, Chairman-cum-Managing Director and whole time directors including Managing Director may be removed from office in accordance with terms of appointment or if no such terms are specified, on the expiry of three (3) months' notice issued in writing by the President of India or with immediate effect on payment of the pay in lieu of the notice period.
	110.	The office of a Director shall *ipso facto* be vacated:

		(a) on the happening of any of the events as specified in Section 167 of the Act. (b) if a person is a Director of more than the number of Companies as specified in the Act at a time; (c) in the case of alternate Director, on return of the Original Director in terms of Section 161 of the Act; (d) having been appointed as a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company. (e) if he is removed in pursuance of Section 169 of the Act; (f) any other disqualification that the Act for the time being in force may prescribe.
Additional Directors	**111.**	Subject to the provisions of Sections 149, 152 and 161 of the Act and Applicable Law, the President of India shall have power at any time, and from time to time, to appoint a person as an additional Director, provided the number of the Directors and additional Directors together shall not at any time exceed the maximum strength fixed for the Board by these Articles. Such person shall hold office only up to the date of the next Annual General Meeting of the Company but shall be eligible for appointment by the Company as a Director at that Meeting subject to the provisions of the Act.
Alternate Director	**112.**	Subject to the provisions of the Act, the President of India may appoint an Alternate Director to act for a Director (hereinafter called "**the Original Director**") during his absence for a period of not less than three (3) months from India. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office when the Original Director returns to India. If the terms of office of the Original Director are determined before he so returns to India, any provisions in the Act or in these Articles for the automatic reappointment of any retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.
Independent Directors	**113.**	Subject to the provisions of Section 149(6) of the Act and other Applicable Law, the President of India shall have the power to appoint requisite number of Independent Directors to comply with the Applicable Law.
	114.	The Company and the Independent Directors are required to abide by the provisions specified in Schedule IV to the Act.
	115.	An Independent Director shall not be entitled to any stock options and may receive remuneration by way of sitting fees, reimbursement of expenses for participation in Board and other meetings and also to such commission based on profits, as may, subject to provisions of Applicable Law, be approved by the Members.
Directors may act notwithstanding any Vacancy	**116.**	The continuing Directors may act notwithstanding any vacancy in the Board, but if the number falls below three, the Directors shall not act so long as the number of Directors is below the minimum.
Sitting Fees	**117.**	Subject to Applicable Law, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.
	118.	Subject to the provisions of the Act and to such directive and or instructions as the President of India may issue from time to time under these Articles, the business of the Company shall be managed by the Board of Directors who may exercise all such powers and do all such acts and things as the Company is authorized to exercise and do and who may, from time to time delegate such powers to the Chairman and/or Managing Director or whole time Director exercisable by them, upon such terms and conditions and with

		such restrictions, as they may think fit and either collaterally with or to the exclusion of their own powers and may, from time to time, revoke, withdraw or alter or vary all or any of such powers as may be necessary for the proper conduct of the business of the Company. Provided that the Board of Directors shall not exercise any powers or do any act or thing which is directed or required, whether by this or any other Act or by the Memorandum or Articles of the Company or otherwise to be exercised or done by the Company in the Annual General Meeting.
	PROCEEDINGS OF THE BOARD	
Meetings of Directors	**119.**	The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board. A meeting of the Board shall be called by giving not less than seven (7) days' notice in writing to every Director at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means and in accordance with the applicable provisions of the Act.
Chairperson	**120.**	The President of India and/or the Board may elect a chairperson of its meetings and determine the period for which is to hold office. All meetings of the Directors shall be presided over by the Chairperson or the Chairman and Managing Director if present. If no such Chairperson is elected, or if at any meeting of the Board, the Chairperson is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.
Quorum.	**121.**	The quorum for a meeting of the Board shall be in accordance with the provisions of the Section 174 of the Act. If a quorum is not present within fifteen (15) minutes from the time appointed for holding a meeting of the Board it shall be adjourned until such date and time as the Chairperson of the Board shall decide.
Questions at Board meeting how decided.	**122.**	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairperson will have a second or casting vote.
Continuing directors may act notwithstanding any vacancy in the Board	**123.**	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director, with the approval of the President of India, may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose.
Appointment of committee.	**124.**	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
Committee Meetings how to be governed.	**125.**	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the

		Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.
Chairperson of Committee Meetings	**126.**	The Board may appoint chairperson to chair the meeting of the Committee and wheresoever not appointed by the Board the committee may elect a Chairperson of its meetings. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five (5) minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
Meetings of the Committee	**127.**	A committee may meet and adjourn as it thinks fit. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
Validity of the Resolution	**128.**	Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be as valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.
Acts of Board or Committee shall be valid notwithstanding defect in appointment.	**129.**	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such Director or such person had been duly appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated.
SPECIFIC POWERS GIVEN TO DIRECTORS		
Powers of the Directors	**130.**	Subject to the provisions of the Act without prejudice to the general powers conferred by the last preceding Article and the other powers conferred by these Articles the directors shall have the following powers that is to say, powers: 1. To make bye-laws — to make, vary and repeal from time to time by-laws for the regulation of the business of the company, its officers and servants; 2. To pay and charge to the capital account of the Company any interest lawfully payable thereof under the provisions of the Act; 3. To acquire property — to purchase, take on lease or otherwise acquire for the Company property rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit; 4. To pay for property in debentures etc. — to pay at discretion for any property or rights acquired by or services rendered to the Company, either wholly or partly in cash or in shares, bonds, debentures, debenture stocks or in shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture stocks or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged; 5. To insure property etc. — to insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company either separately or conjointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power; 6. To open accounts — to open accounts with any bank or bankers or with any Company, firm or individual and to pay money into and draw money from any such account from time to time as the directors may think fit;

		7. To secure contracts by mortgage — to secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they think fit; 8. To attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company such conditions as to the transfer thereof as they think fit; 9. To accept surrender of shares — to accept as may be legally possible from any member on such terms and conditions as shall be agreed, as surrender of his shares or stock or any part thereof; 10. To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company and property belonging to Company or in which it is interested, or for any other purpose and to execute and do all such acts and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees; 11. To bring and defend action—to institute, conduct, defend, compound, or abandon any legal proceedings, by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debt due, or of any claims or demands by or against the Company; 12. To refer to arbitration — to refer any claim or demand by or against the Company to arbitration—and observe and perform the awards; 13. To act on behalf of the Company in all matters relating to bankrupts and insolvents; 14. To give receipts—to make and give receipts, releases and other discharges for monies payable to the Company and for the claims and demands of the Company; 15. To authorise acceptance, etc. — to determine from time to time who shall be entitled to sign on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents; 16. To invest money — to invest in the Reserve Bank of India or in such securities as may be approved by the President of India and deal with any of the monies of the Company upon such investments authorised by Memorandum of Association of the Company (not being shares in this Company) and in such manner as they think fit, and from time to time, to vary and realise such investments; 17. To give security by way of indemnity—to execute in the name and on behalf of the Company in favour of any director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed on; 18. To give percentage — to give to any director, officer or other person employed by the Company an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise on a share in the general profits of the Company, and such interest, commission, or share of profits shall be treated as a part of the working expenses of the Company; 19. To give bonus and create Provident Fund —to provide for the welfare of employees or ex-employees of the Company or of its predecessors in business and the wives, widows and families or the dependents or connections such employees or ex employees, by building or contributing to the building of houses, dwellings or chawls or by grants of money, pensions, allowances, bonuses, profit sharing bonuses or benefit of any other kind or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, profits sharing or other scheme or trusts or by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and any other form of assistance, welfare or relief as the directors shall think fit;

20. To subscribe to charitable and other funds —to subscribe or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public or any other institutions or objects, or for any exhibition;
21. To create depreciation and other funds — to set aside before recommending any dividend out of the profit of the Company such sums as they may think proper for depreciation or to Depreciation Fund, Reserve or to Reserve Fund to meet contingencies or Insurance Fund or any special or other fund to meet contingencies or to repay redeemable preference shares, debentures or debenture stocks, and for special dividends and for equalising dividends and for repairing, improving, extending and maintaining any part of the property of the Company, and for such other purposes (including the purposes referred to in the sub-clause (19) as the directors may, in their absolute discretion think conducive to the interest of the Company; and to invest the several sums so set aside or so much thereof as required to be invested upon such investment (subject to the restrictions imposed by the Act) as the directors may think fit; and from time to time to deal with and vary such investments and dispose of and apply and expand all or any part thereof for the benefit of the Company, in such manner and for such purposes as the directors (subject to such restrictions) think conducive to the interest of the Company notwithstanding that the matters to which the directors apply or upon which they expend the same, or any part thereof may be matters to or upon which the capital monies of the Company might rightly be applied or expended and to divide the Reserve Fund into such special funds as the directors may think fit, and to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of redeemable preference shares, debentures or debenture stocks and that without being bound to keep the same separate from the other assets, and without being bound to pay or allow interest on the same, with power, however, to the directors at their discretion to pay or allow to the credit of such fund interest at such rate as the directors may think proper, not exceeding six percent per annum;
22. To create such posts other than those to which appointment is made by the President of India, as they may consider necessary for the efficient conduct of the Company's affairs and to determine the scale of pay and other terms thereof:

Provided that the Board shall not create post(s) below the Board Level on the scales of pay equivalent to those on the Board Level;

23. To appoint officers — subject to relevant Articles to appoint and at their discretion remove or suspend such employees and agents for permanent, temporary or special service, as they may from time to time, think fit, and to determine their powers and duties and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit. And also without prejudice as aforesaid, from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India in such manner as they think fit and the provisions contained in sub-clauses (25) and (26) following, shall be without prejudice to the general powers conferred by this clause;
24. To comply with local laws — to comply with the requirements of any local law which in their opinion shall in the interest.of the Company be necessary or expedient to comply with;
25. To establish Local Board — to establish from time to time and at any time any local board for managing any of affairs of the Company in any specified locality in India or out of India, and to appoint any person to be members of such local board and to fix their remuneration; and subject to the provision of Section 177 of the Act from time to time and at any time, to delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the directors other than their power to make call; and to authorise the members for the time being of any such local board or any of them, to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the directors may think fit, and the directors may at any time remove any person so

		appointed and may annul or vary any such delegation; 26. To appoint at and from time to time by power-of-attorney any person or persons to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these presents) and for such period and subject to such conditions as the directors may from time to time think fit and any such appointment (if the directors think fit) may be made in favour of the members or any of the members of any local board established as aforesaid or in favour of any company or the members, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body or persons whether nominated directly or indirectly by the directors and any such power-of-attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the directors may think fit; 27. Subject to 177 of the Act, to sub-delegate all or any of the powers, authorities and discretions for the time being vested in the directors, subject however to the ultimate control and authority being retained by them; 28. Any such delegate or attorney as aforesaid may be authorised by the directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them; 29. To enter into contracts — to enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such act, deeds and things in name of and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company; 30. (a) Subject to the approval of the President of India and the provisions of the Act, the Board may by means of a resolution passed at a meeting of the Board may from time to time, borrow and/or secure the payment of any sum or sums of a money for the purpose of the Company, and in particular by executing mortgages and the issue of debentures, debenture stocks, perpetual or otherwise charged upon all or any of the company's property (both present and future) including its uncalled capital and to purchase, redeem or pay off any such securities provided that no approval of the President of India would be necessary for borrowing from the banks for the purpose of meeting the working capital requirements on the hypothecation of company's current assets; (b) To lend monies to subsidiaries and associated organisations on such terms and conditions as they may consider desirable; 31. (a) Works of capital nature.—to authorise the undertaking of works of capital nature where Detailed Project Reports have been prepared with estimates of different component parts of the project and where such project reports have been approved by the Government and to invite and accept tenders relating to works included in the approved detailed project report, including variations, if any, in the approved estimates provided such variations are not more than 10% or such higher percentage as may be delegated to it from time to time by the Government for any particular component part and do not substantially change the scope of the project. (b)To authorise the undertaking of works of a capital nature, not covered by clause (i) above, if required to be taken up in advance of the preparation of a detailed project report or otherwise as individual works whether as part of existing or new schemes not exceeding Rs. 5 (five) crores, provided that: (i) the funds required will be found within the budget allocation for the Company for that financial year, and (ii) the expenditure on such works in subsequent years will be the first call on the respective allocations; 32. To appoint additional director/directors on nomination by the President of India.
	131.	(i) The remuneration of the director shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day. (ii) In addition to the remuneration payable to them in pursuance of the Act, the

		directors may be paid all travelling, hotel and other expenses properly incurred by them. (a) In attending and returning from meetings of the Board of Directors or any committee thereof, or General Meetings, of the Company; or (b) In connection with business of the Company.
	132.	The Company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of this section) make and vary such regulations as it may think fit respecting the keeping of any such register.
	133.	All cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instrument, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
	134.	Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
THE PRESIDENT OF INDIA		
	135.	(a) The chairman shall reserve for decision of the President of India any proposal or decisions of the Board of Directors or any matter brought before the. Board which raised in the opinion of the chairman, an important issue and which is on that account fit to be reserved for the decision of the President of India and no decision on such an important issue shall be taken in the absence of chairman appointed by the President of India. (b) Without prejudice to the generality of the above provision, the Directors shall reserve for the decision of the President of India: (i) Appointment in the Company or in any of its subsidiaries of any person, other than foreign technical personnel, who has attained the age of 58 years where the pay (including the pension and/or pensionary equivalents or retirement benefits) proposed to be fixed for such person exceed Rs.5,700/- per mensem or where the minimum of the pay scale proposed to be given is Rs.5,700/- per mensem or more. (ii) Any matter relating to the sell, lease, exchange, mortgage and/or otherwise dispose of the whole or substantially the whole of the undertaking of the Company, or any part thereof. (iii) Any matter relating to— (a) the promotion of Company/companies; (b) entering into partnership and/or arrangement for sharing profits; (c) formation of subsidiary company/companies; (d) taking or otherwise acquiring and holding share in any other company; (e) division of capital into different classes of shares; (f) winding up of the Company; (g) issue of shares, debentures at a discount or premium; (h) investment in securities; and (i) any other matter which in the opinion of the Board of Directors is of such importance as to be reserved for the approval of the President of India, (iv) The five year and annual plans of development and the capital budget of the Company. (v) The annual revenue budget of the Company in case there is an element of deficit which is proposed to be met by obtaining funds from the Government.

		(vi) The agreements involving foreign collaboration proposed to be entered into by the Company. (vii) Purchases and contracts of a major nature involving substantial capital outlay which are in excess of powers vested in the Company under Article 133(31).
	RIGHTS OF THE PRESIDENT OF INDIA	
Rights of the President	**136.**	(1) No action shall be taken by the company in respect of any proposals for decisions of the directors reserved for the approval of the President until his approval to the same has been obtained. The President of India shall have the power to modify or reject such proposals or decision(s) of the directors. (2) Notwithstanding anything contained in all these Articles, the President of India may, from time to time, issue such directives or instructions as may be considered necessary in regard to conduct of business and affair of the Company and in like manner may vary and annul any such directive or instruction. The directors shall give immediate effect to the directives or instructions so issued. In particular, the President of India shall have the powers to: (i) give directives to the Company as to the exercise and performance of its functions in matters involving national security or substantial public interest; (ii) call for such returns, accounts and other information with respect to the property and activities of the Company as may be required from time to time; and (iii) determine in consultation with the Board annual short and long-term financial and economic objectives of the Company. Provided that all directives issued by the President of India shall be in writing addressed to the chairman. The Board shall, except where the President of India considers that the interest of the national security or interest requires otherwise, incorporate the contents of directives issued by the President of India in the annual report of the Company and also indicate its impact on the financial position of the Company. (3) Subject to the approval of the President of India provisions of Sections 40 and 71 of Act, debenture, debenture stocks, bonds or other securities may be issued at a discount, premium or otherwise, and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending General Meetings of the Company, appointment of directors and otherwise. (4) Whenever any uncalled capital of the company is charged all persons taking any subsequent charge thereon shall take the same subject to such prior charge and shall not be entitled by notice to the shareholders or otherwise, to obtain priority over such prior charge. (5) If the directors or any of them, or any other person shall become personally liable for the payment of any sum primarily due from the Company, the directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the directors or persons so becoming liable as aforesaid from any loss in respect of such liability.
	MINUTES	
Minutes	**137.**	The directors shall cause the minutes to be duly entered in books provided for the purpose— of all appointments of officers; a) of the names of directors present at each meeting of the directors and of

		any committee ofdirectors; b) of all orders made by the directors and committee of directors; and c) of all resolutions and proceedings of General Meetings and of meetings of the directors and committees. Any such minutes of any General Meetings of the Company or of such directors or committee if purporting to be signed by the chairman of such meeting or by the chairman of the next succeeding meeting shall be prima facie evidence of the matters stated at such minutes. The books containing the minutes of the General Meetings of the Company shall be kept at the registered office of the Company and shall be open to inspection by members of the Company between the hours of 3.00 p.m. and 5.00 p.m. on all working days.
SECRETARY		
	138.	(i) A secretary may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any secretary so appointed may be removed by the Board. (ii) A director may be appointed as secretary.
	139.	A provision of the Act, or these regulations requiring or authorizing a thing to be done by or to a director and secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place, of the secretary.
THE SEAL		
Common Seal	**140.**	The Board shall provide a common seal for the Company and for the safe custody of the seal and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The common seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorized by it in that behalf. Subject to the provision of Applicable Law, at least one Director shall be present during the affixing of the seal and sign every instrument to which the common seal is affixed and every such instrument shall be countersigned by the Secretary and in his absence by some other person appointed by the Board.
DIVIDENDS AND RESERVE		
Declaration of final dividend	**141.**	The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
	142.	Subject to the provisions of Section 123 of the Act, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.
	143.	Reserve Fund.—The Board may before recommending any dividend, set aside out of the profits of the Company such sums as they it thinks proper as a reserve fund, to meet contingencies or for equalising dividends or for special dividends, or for repairing, improving and maintaining any of the property of the Company and for such other purposes as the directors shall in their absolute discretion think conducive to the interest of the Company, and may invest the several sums so set aside upon such investments (other than shares of the Company) as they may think fit from time to time, deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company; and may divide the reserve funds into such special funds as they think fit and employ the reserve funds or any part thereof in the business of the Company and that without being bound to keep the same separate from the other assets.
	144.	(i) Subject to the rights of persons if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof, the dividend is paid, but if and so long as nothing is paid upon any of the Securities in the Company, dividends may be

		declared and paid according to the amounts of the Securities. (ii) Any amount paid-up in advance of calls on any security(ies) may carry interest but shall not entitle the holder of the Securities to participate in respect thereof, in a dividend subsequently declared or participate in profits; (iii) There will be no forfeiture of unclaimed dividends before the claim becomes barred by law. (iv) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Securities during any portion or portions of the period in respect of which the dividend is paid; but if any security(ies) is issued on terms providing that it shall rank for dividend as from a particular date such security(ies) shall rank for dividend accordingly.
	145.	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
	146.	(i) Any dividend interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders, who is first named on the register of the members, or to such person and to such address as the holder or joint holders may in writing direct. (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
	147.	Any one or two or more joint holders of a share may give effectual receipts for any dividends, bonuses or other monies payable in respect of such share.
	148.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
	149.	No dividend shall bear interest against the Company.
		BUY BACK OF SHARES
Buy Back of Shares	**150.**	Notwithstanding anything contained in these articles but subject to the provisions of Sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.
		ACCOUNTS
Maintenance of Books of Accounts	**151.**	The Company shall in all respects comply with Section 128 of the Act and cause to be kept and maintained proper books of account with respect to— (i) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place; (ii) all sales and purchases of goods by the Company; and **(iii)** the assets and liabilities of the Company.
	152.	The books of account shall be kept at the registered office of the Company or at such other place in India as the directors shall think fit and shall be open to inspection by the directors during business hours.
	153.	(i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them shall be open to the inspection of members not being directors. (ii) No member (not being a director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.
		BALANCE SHEET AND ACCOUNTS
Financial Statements of the Company	**154.**	At every General Meeting of the Company, the Board shall lay before such meeting financial statements for the financial year in accordance with Sections 96 and 129 of the Act.

	155.	The directors shall as per Section 134 of the Act make out and attach a report with the Financial Statements by the Board of Directors specifying the items mentioned in Section 134 (3) of the Act. The Board's report shall be signed by the Chairman, if he is authorised by the Board and where he is not so authorised, shall be signed by at least two Directors, one of whom shall be a Managing Director, or by the director where there is one Director.
	156.	The Company shall send a copy of such Financial Statements together with a copy of the auditors' report and every other document required by law to be annexed or attached, as the case may be, to the balance sheet to the registered address of every member of the Company in the manner in which notices are to be given hereunder at least twenty-one (21) days before the meeting at which it is to be laid before the members of the Company and shall deposit a copy at the registered office of the Company for inspection of the members of the Company during a period of at least twenty-one days before that meeting.
	157.	The directors shall in all respects comply with the provisions of Sections 128, 129, 134, 136 & 137 of the Act or any statutory modification thereof for the time being in force.
		AUDIT
Auditors to be appointed	**158.**	The Statutory Auditors shall be appointed or re-appointed by the Central Government on the advice of the Comptroller and Auditor General of India and the Cost Auditors and the Internal Auditors, if any, shall be appointed by the Board. The rights and duties of Auditors shall be regulated in accordance with Sections 138 to 148 of the Act and other applicable provisions of the Law. Secretarial Auditors shall be appointed by the Board and their rights and duties shall be regulated in accordance with Section 204 of the Act and Applicable Law.
Accounts	**159.**	The auditor or auditors for the Company shall be appointed or reappointed by the Government on the advice of the Comptroller and Auditor General of India and his/ their rights and duties shall be regulated by Section 139 of the Act.
	160.	The Comptroller and Auditor General of India shall have power— (a) to direct the manner in which the Company's accounts shall be audited by the auditor/auditors appointed in pursuance of Article 139 thereof and to give such auditor/auditors instructions in regard to any matter relating to the performance of his/their functions as such; (b) to conduct a supplementary or test audit of the Company's accounts by such person or persons as he may authorise in this behalf; and for the purpose of such audit, to have access at all reasonable times to all accounts, account books, vouchers, documents and other papers of the Company and to require information or additional information to be furnished to any person or persons and in such form as the Comptroller and Auditor General may, by general or special order, direct; (c) the auditor/auditors aforesaid shall submit a copy of his/their report to the Comptroller and Auditor General of India who shall have the right to comment upon or supplement the audit report in such manner as he thinks fit; and (d) any such comments upon or supplement to the Audit Report shall be placed before the annual general meeting of the Company at the same time and in the same manner as the audit report.
	161.	Where the Company has a branch office, the provisions of Section 143 of the Act shall apply.
	162.	All notices of, and other communications relating to any General Meeting of the Company which any member of the company is entitled to have sent to him, shall also be forwarded to the auditor of the Company, and the auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as auditor.
	163.	The auditor's report shall be read before the Company in General Meeting

		and shall be open to inspection by any member of the Company.
	164.	Every accounts of the Company when audited and approved by an annual general meeting shall be conclusive.
		WINDING UP
Winding Up	**165.**	(1) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide among the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not. (2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. (3) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidators, with the like sanction shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.
		INDEMNITY
Directors' and others right to indemnity.	**166.**	Subject to the provisions of the Act, every director, manager and other officer or servant of the Company shall be indemnified by the Company against and it shall be the duty of the directors to pay out of the funds of the Company, all costs, losses, damages and expenses which any such officer or servant may incur or become liable to by reason of any contract entered into or act or thing done by him as such director, manager, or other officer or servant or in way in the discharge of his duties including travelling expenses, and in particular and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such director, manager, or other officer, or servant in defending any proceedings whether civil or criminal in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 463 of the Act in which relief is granted by the Court
	167.	Subject to the provisions of the Act, no director, manager or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other director or officer or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of the title to any property acquired by order of the directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any monies, securities or effects shall be deposited or for any loss occasioned by any error of judgement or oversight on his part or for any other loss, damage or misfortune which shall happen in the execution of the duties of his office or in relation thereto unless the same happen through his own negligence, default, breach of duty or breach of trust.
		SECRECY CLAUSE
Secrecy	**168.**	a) Every Director, Key Managerial Personnel, Manager, Auditor, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and to the persons to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these Articles

		contained.
Access to property information etc.	**169.**	b) Subject to the provisions of these Articles and the Act, no member or other person unless he is a Director, Key Managerial Personnel or other person in the management of the affairs of the Company shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate to the public.
	GENERAL AUTHORITY	
General Authority	**170.**	Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case by virtue of this Article, the Company is hereby specifically authorized, empowered and entitled to have such right, privilege or authority to carry out such transactions as have been permitted by the Act without there being any separate/specific article in that behalf herein provided.
Requirement of Compliance with the provisions of the SEBI Listing Regulations and the Rules and Regulations made by Securities and Exchange Board of India	**171.**	The Company shall from time to time comply with all the provisions as stipulated under the SEBI Listing Regulations and the Rules and the Regulations made by Securities and Exchange Board of India. Any provision of these Articles which is contrary to the provisions of the SEBI Listing Regulations or the Rules and Regulations made by SEBI or the provision of the Act, the said provision shall be deemed to be amended to the extent necessary to made it compliant with the said Listing Agreement or the Rules and Regulations of the SEBI or the Act. In case of any inconsistency between the provisions of these Articles, SEBI Listing Regulations, SEBI Rules and Regulations and the Act, the provision/ compliance which is/are more onerous shall be applicable in such case, and these Articles shall be deemed amended to such extent.

SECTION X: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of this Red Herring Prospectus) which are or may be deemed material have been attached to the copy of the Red Herring Prospectus/ Prospectus which will be delivered to RoC for registration. Copies of these contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10.00 a.m. and 5.00 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date.

A. Material Contracts for this Offer

1. Offer Agreement dated January 30, 2019 amongst our Company, the Selling Shareholder and the BRLM.

2. Registrar Agreement dated January 30, 2019 amongst our Company, the Selling Shareholder and the Registrar to the Offer.

3. Share Escrow Agreement dated March 6, 2019 amongst our Company, the Selling Shareholder and the Share Escrow Agent.

4. Public Offer Account Agreement dated March 6, 2019 amongst our Company, the Selling Shareholder, the BRLM, the Syndicate Member, the Sponsor Bank, the Refund Bank, the Banker(s) to the Offer and the Registrar to the Offer.

5. Syndicate Agreement dated March 6, 2019 amongst our Company, the Selling Shareholder, the BRLM and the Syndicate Member.

6. Underwriting Agreement dated [●] amongst our Company, the Selling Shareholder, the Underwriters and the Registrar to the Offer.

B. Material Documents in relation to this Offer

1. Certified copies of the Memorandum of Association and Articles of Association of our Company, as amended from time to time.

2. Certificate of incorporation dated September 9, 1964.

3. Fresh certificate of incorporation dated November 9, 1994 consequent upon change of name of our Company from *"Metal Scrap Trade Corporation Limited"* to *"MSTC Limited"*.

4. Resolutions of the Board of Directors dated January 11, 2019 approving the Offer and other related matters.

5. Resolution of the Board of Directors dated January 30, 2019 approving the Draft Red Herring Prospectus.

6. Our Board has, by way of resolution dated March 6, 2019 approved this RHP.

7. The Selling Shareholder has, through letter bearing file number D.O. No. 3(1)/2010-MF (Part) dated January 30, 2019 conveyed the consent for inclusion of 17,600,000 Equity Shares as part of the offer for sale portion in the Offer and through its consent letter bearing file no. F. No. 3(1)/2010-MF (Part) dated March 6, 2019 has conveyed the consent for inclusion of additional

70,400 Equity Shares for Employee Reservation Portion as part of the Offer for Sale.

8. The examination report of the Statutory Auditor dated January 11, 2019, on our Company's Restated Financial Statements, included in this Red Herring Prospectus.

9. Copies of the annual reports of our Company for the Financial Years 2016, 2017 and 2018.

10. Statement of Special Tax Benefits dated January 29, 2019 from our Statutory Auditor.

11. Consent of Directors, BRLM, Syndicate Member, Indian Legal Counsel to our Company and the Selling Shareholder, Indian Legal Counsel to the BRLM, International Legal Counsel to our Company and the Selling Shareholder, Registrar to the Offer, Bankers to our Company, Bankers to the Offer and Refund Banks, Sponsor Bank, Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities.

12. Consent of our Statutory Auditor, dated January 29, 2019, to include their name as experts in relation to their reports on the Restated Financial Statements dated January 11, 2019.

13. MoS Order F No. 8/4/2015-BLA dated March 14, 2016 for the appointment of Bam Bahadur Singh as Chairman & Managing Director and MoS Order No. 8/1/2017-BLA dated February 28, 2017 prescribing the terms and conditions of his employment.

14. MoS Order No. 8/2/2017-BLA dated August 20, 2018 for the appointment of Subrata Sarkar as Director (Finance).

15. MoS Order F. No. 8/1/2016-BLA dated October 10, 2017 for the appointment of Bhanu Kumar as Director (Commercial) and MoS Order No. 8/1/2016-BLA dated May 22, 2018 prescribing the terms and conditions of her employment.

16. MoS Order No. 1/16/2015-BLA dated October 11, 2017 for the appointment of Ruchika Chaudhry Govil as Government Nominee Director.

17. MoS Order No. 1/16/2015-BLA dated June 15, 2017 for the appointment of Promodita as Government Nominee Director.

18. MoS Order F. No. 1(10)/2015-BLA(Vol-III) dated September 6, 2017 for the appointment of Gangaram Aloria as Non-Official (Independent) Director.

19. MoS Order F. No. 1(10)/2015-BLA(Vol-III) dated September 6, 2017 for the appointment of Murali Vallabhan as Non-Official (Independent) Director.

20. MoS Order F. No. 1(10)/2015-BLA(Vol-III) dated March 9, 2018 for the appointment of Rudramauni Shivayogeppa Yeli as Non-Official (Independent) Director.

21. MoS Order F. No. 1(10)/2015-BLA(Vol-III) dated March 9, 2018 for the appointment of Pravati Parida as Non-Official (Independent) Director t.

22. MoS Order F. No. 1(10)/2015-BLA(Vol-III) (Pt.) dated December 14, 2018 for the appointment of Aparna Chaturvedi as Non-Official (Independent) Director.

23. Tripartite Agreement dated February 28, 2019 amongst our Company, CDSL and Alankit Assignments Limited.

24. Tripartite Agreement dated March 1, 2019 amongst our Company, NSDL and Alankit

Assignments Limited.

25. Due Diligence Certificate dated January 30, 2019 addressed to SEBI from the BRLM.

26. In principle listing approvals dated February 13, 2019 and February 18, 2019 issued by BSE and NSE respectively.

27. SEBI observation letter dated February 28, 2019.

28. SEBI Exemption Letter dated February 28, 2019.

29. Consent for inclusion of industry report titled *"E-Commerce Industry in India with focus on B2B Segment"* dated January 18, 2019 from Dun & Bradstreet.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to our Shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act and the rules/ regulations and guidelines issued by the Government or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, SCRR, the SEBI Act or the rules and regulations made thereunder or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Red Herring Prospectus are true and correct.

SIGNED BY DIRECTORS OF OUR COMPANY

Bam Bahadur Singh
Chairman and Managing Director

Subrata Sarkar
Director (Finance) and Chief Financial Officer
Whole Time Director

Bhanu Kumar
Director (Commercial)
Whole Time Director

Ruchika Chaudhry Govil
Government Nominee Director

Promodita
Government Nominee Director

Gangaram Aloria
Non-Official (Independent) Director

Murali Vallabhan
Non-Official (Independent) Director

Rudramauni Shivayogeppa Yeli
Non-Official (Independent) Director

Pravati Parida
Non-Official (Independent) Director

Aparna Chaturvedi
Non-Official (Independent) Director

SIGNED BY THE CHIEF FINANCIAL OFFICER

Subrata Sarkar
Chief Financial Officer

Date: March 6, 2019
Place: New Delhi

DECLARATION

On behalf of the Selling Shareholder, I certify and confirm that all the statements and undertakings made and/or confirmed by us in this Red Herring Prospectus about or in relation to the Selling Shareholder and the Equity Shares which are being offered pursuant to this Offer for Sale are true and correct.

Signed on behalf of the Selling Shareholder

Authorised Signatory of the President of India, acting through the Ministry of Steel, Government of India

Name: Ruchika Chaudhry Govil

Designation: Joint Secretary to the Government of India

Date: March 6, 2019

Place: New Delhi