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(Please scan this QR Code to view this Addendum to the DLOF)



PAVNA INDUSTRIES LIMITED

Our Company was incorporated as ‘Pavna Locks Private Limited’, as a private limited company, in accordance with the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated April 19, 1994 issued by the RoC. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to ‘Pavna Locks Limited’ and a fresh certificate of incorporation on November 13, 2000 was issued by the RoC. Thereafter, name of our Company was changed to ‘Pavna Zadi Security Systems Limited’ and a fresh certificate of incorporation dated November 17, 2000 was issued to our Company by the RoC. Thereafter, name of our Company was changed to ‘Pavna Industries Limited’ and a fresh certificate of incorporation dated May 21, 2019 was issued to our Company by the RoC.

Registered and Corporate Office: Vimlanchal, Hari Nagar, Aligarh, 202 001, Uttar Pradesh, India
Tel: +91 8006409332; **E-mail:** cs@pavnagroup.com; **Website:** www.pavna.in
Contact Person: Charu Singh, Company Secretary and Compliance Officer;
Corporate Identification Number: L34109UP1994PLC016359

OUR PROMOTERS: SWAPNIL JAIN AND ASHA JAIN

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF PAVNA INDUSTRIES LIMITED (THE “COMPANY” OR THE “ISSUER”) ONLY

ISSUE OF UPTO 48,72,000 EQUITY SHARES OF FACE VALUE ₹ 10 EACH (“RIGHTS EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (THE “ISSUE PRICE”), AGGREGATING UPTO ₹ [●] LAKHS ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARE(S) FOR EVERY [●] FULLY PAID-UP EQUITY SHARE(S) HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●] (THE “ISSUE”). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS [●] TIMES OF THE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED “TERMS OF THE ISSUE” ON PAGE 218 OF THIS DRAFT LETTER OF OFFER.

Potential Bidders may note that the Company has, in consultation with the relevant stakeholders, decided to make certain updation in the sections titled “Summary of this Draft Letter of Offer”, “Objects of the Issue” and “Risk Factors”. Accordingly, the Draft Letter of Offer (DLOF), including the sections titled “Summary of this Draft Letter of Offer” on page 19, “Risk Factors” on pages 27, 28, 29, 36 and 38 and “Objects of the Issue” on pages 56-64 of the DLOF shall stand updated. Potential Bidders may note that in order to assist the Bidders to get a complete understanding of the updated information, the relevant portions of the DLOF updated as mentioned above have been included in this Addendum.

The above changes are to be read in conjunction with the DLOF and accordingly their references in the DLOF stand amended pursuant to this Addendum. The information in this Addendum supplements the DLOF and updates the information in the DLOF, as applicable. Please note that the information included in the DLOF, including to the extent stated in this Addendum, will be suitably updated, as may be applicable in the Letter of Offer, as and when filed with the RoC, the SEBI and the Stock Exchanges. Investors should read the Letter of Offer as and when filed with the RoC, the SEBI and the Stock Exchanges before making an investment decision in the Offer. All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Letter of Offer.

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof (“United States”), except in a transaction not subject to, or exempt from, the registration requirements of the United States Securities Act of 1933 (“Securities Act”) and applicable state securities laws. The offering to which this Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States.

This Addendum shall be made available to the public for comments, if any, for a period of at least 21 days, from the date of such filing with SEBI and will be available on their website www.sebi.gov.in, the websites of the Stock Exchanges i.e., www.nseindia.com and www.bseindia.com, the website of our Company at www.pavna.in and the website of the Lead Manager to the Issue, i.e., PNB Investment Services Limited at www.pnbisl.com

On behalf of Pavna Industries Limited

Place: Aligarh
Date: May 13, 2024

Sd/-
 Swapnil Jain
 Managing Director

LEAD MANAGER TO THE ISSUE		REGISTRAR TO THE ISSUE
 <p>(A wholly owned subsidiary of Punjab National Bank)</p>		
PNB Investment Services Limited PNB Pragati Towers, 2nd Floor, Plot No. C-9, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Maharashtra, India Tel: +91 22 2653 2682 E-mail: mbd@pnbisl.com Website: www.pnbisl.com Contact Person: Srinath Nair/ Shivani Tapadia Investor grievance e-mail: complaints@pnbisl.com SEBI Registration No.: INM000011617		Link Intime India Private Limited C-101, 1st Floor, 247 Park, L.B. S. Marg, Vikhroli (West) Mumbai 400 083 Maharashtra, India Tel: +91 81 0811 4949 Email: Pavnaindustries.rights2024@linkintime.co.in Website: www.linkintime.co.in Investor grievance e-mail: pavnaindustries.rights2024@linkintime.co.in Contact Person: Shanti Gopalkrishnan SEBI Registration No.: INR000004058
BID/ ISSUE PROGRAMME		
ISSUE OPENS ON	LAST DATE FOR RECEIVING REQUESTS FOR APPLICATION FORMS	ISSUE CLOSES ON
[●]	[●]	[●]

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SUMMARY OF THIS DRAFT LETTER OF OFFER

A. The sub-paragraph titled “Objects of the Issue” on page 19 of the Draft Letter of Offer shall be replaced in the Letter of Offer by the sub-paragraph below:

Objects of the Issue

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

(₹ in lakhs)

Particulars	Amount
Repayment and/or prepayment, in part or full of certain of our outstanding borrowings availed by our Company and Subsidiaries	10,929.42
Funding incremental working capital requirements of our Company	1,400.00
General corporate purpose	●
Net Proceeds*	●

For further details, please see chapter titled “Objects of the Issue” beginning on page 56 of this Draft Letter of Offer.

RISK FACTORS

- A. *The Risk Factor 7 included in the section titled 'Risk Factors' on page 27 in the Letter of Offer shall be updated as follows:*

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

As on September 30, 2023, the total fund based indebtedness of our Company is ₹ 10,097.07 lakhs and our Subsidiaries is ₹ 1,042.25 lakhs. One of the Objects for the Issue is repayment or prepayment of certain secured loans availed by our Company Subsidiaries for which part of Net Proceeds will be utilized by our Company. The details of the loans identified to be repaid or prepaid using the Net Proceeds by our Company have been disclosed in the section titled "Objects of the Issue" on page 57 of this Draft Letter of Offer.

In addition to the indebtedness for the existing operations, our Company or our Subsidiaries may incur further indebtedness during the course of their business. We cannot assure you that our Company or our Subsidiaries will be able to obtain further loans at favourable terms. Increased borrowings, if any, may adversely affect our debt-equity ratio and our ability to borrow at competitive rates. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows.

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

- B. *The Risk Factor 8 included in the section titled 'Risk Factors' on page 28 in the Letter of Offer shall be updated as follows:*

Unsecured loans of ₹ 1,118.32 lakhs taken by us from some of our related parties can be recalled at any time.

Our Company and some of our Subsidiaries have availed unsecured loans which may be recalled by the lenders at any time. As on September 30, 2023, the unsecured loans of our Company and its Subsidiaries that may be recalled at any time by the lenders aggregated to ₹ 1,118.32 lakhs. In the event that any lender seeks repayment of any such loan, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. One of the Objects for the Issue is repayment or prepayment of certain secured loans availed by our Company and Subsidiaries for which part of Net Proceeds will be utilized. The details of the loans identified to be repaid or prepaid using the Net Proceeds by our Company and/or our Subsidiaries have been disclosed in the section titled "Objects of the Issue" on page 57 of this Draft Letter of Offer.

We may not have adequate working capital to undertake new projects or complete the ongoing projects, and, as a result, any such demand by the lenders may affect our business, cash flows, financial condition and results of operations. Further, in respect of such unsecured loans, no proper agreement has been executed between the parties.

- C. *The Risk Factor 9 included in the section titled 'Risk Factors' on page 28 in the Letter of Offer shall be updated as follows:*

The agreements executed by our Company and our Subsidiaries with lenders for financial arrangements contain restrictive covenants for certain activities and if we or our Subsidiaries are unable to get their approval, it might restrict our scope of activities and impede our growth plans.

Our Company and our Subsidiaries have entered into agreements for our borrowings with certain lenders. These borrowings include secured fund based and non-fund based facilities. One of the Objects for the Issue is repayment or prepayment of certain secured loans availed by our Company and/or Subsidiaries for which part of Net Proceeds will be utilized.

The details of the loans identified to be repaid or prepaid using the Net Proceeds by our Company and/or our Subsidiaries have been disclosed in the section titled “*Objects of the Issue*” on page 57 of this Draft Letter of Offer.

These agreements entered by our Company and our Subsidiaries include restrictive covenants which mandate certain restrictions in terms of our business operations such as change in capital structure, formulation of any scheme of amalgamation or reconstruction, declaring dividends, further expansion of business, granting loans to directors, repaying unsecured loans/inter corporate deposits availed from Promoters and third parties, undertake guarantee obligations on behalf of any other borrower including subsidiaries, which require our Company and our Subsidiaries to obtain prior approval of the lenders for any of the above activities. We cannot assure you that our lenders will provide us or our Subsidiaries with these approvals in the future.

Further, some of the financing arrangements include covenants which mandate our Company and our Subsidiaries to maintain total outside liabilities and total net worth up to a certain limit and certain other liquidity ratios. A default under one of these financing agreements may also result in cross-defaults under other financing agreements and result in the outstanding amounts under such financing agreements becoming due and payable immediately. This might have an adverse effect on our cash flows, business, results of operations and financial condition.

- D. *The Risk Factor 12 included in the section titled ‘Risk Factors’ on page 29 in the Letter of Offer shall be updated as follows:*

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

As of September 30, 2023, we have entered into several related party transactions with our Promoters, our Subsidiaries relating to our operations. In addition, we have in the past also entered into transactions with other related parties. For further details, please see the section titled “*Financial Information*” at page 137 of this Draft Letter of Offer.

While we believe that all our related party transactions have been conducted on an arm’s length basis and in compliance with applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

- E. *The Risk Factor 27 included in the section titled ‘Risk Factors’ on page 36 shall be updated as follows:*

Inability to obtain sufficient funding in the future could result in the delay or abandonment of our expansion and diversification strategies and may have a material adverse effect on our business and results of operations.

Our Company and our Subsidiaries have entered into agreements for our borrowings with certain lenders. These borrowings include secured fund based and non-fund based facilities.

One of the Objects for the Issue is repayment or prepayment of certain secured loans availed by our Company and/or Subsidiaries for which part of Net Proceeds will be utilized. The details of the loans identified to be repaid or prepaid using the Net Proceeds by our Company and/or our Subsidiaries have been disclosed in the section titled “*Objects of the Issue*” on page 57 of this Draft Letter of Offer.

Our future expansion and diversification plans are dependent on various circumstances, including business developments, new businesses, products or investment opportunities or unforeseen contingencies. We may require additional external funding to meet our expenditure plans related to expansion and diversification plans, including borrowings or sale of equity or debt securities. An inability to obtain sufficient funding in the future could result in the delay or abandonment of our expansion and diversification strategies. In addition, if we raise additional funds through incurrence of debt, our interest and debt repayment obligations will increase, and we may be subject to additional covenants, which could limit our ability to access cash flow from operations and/or other means of financing. Our ability to arrange financing and the costs of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued participation with OEMs and increase in sales of our products and other laws that are conducive to our raising capital in this manner. We cannot assure that we will be able to raise adequate financing to fund future capital requirements on acceptable terms, in time or at all. Any failure to obtain sufficient funding could result in the delay or abandonment of our development and expansion plans and would have a material adverse effect on our results of operations and financial condition.

- F. *The Risk Factor 34 included in the section titled 'Risk Factors' on page 38 in the Letter of Offer shall be updated as follows:*

As the securities of our Company are listed on Stock Exchanges in India, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.

The Equity Shares of our Company are listed on BSE and NSE, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations. There have been instances in the past wherein, our Company has failed to comply with the requirements of the SEBI Listing Regulations in a timely manner. As on the date of this Draft Letter of Offer, the details pertaining to actions initiated by Stock Exchanges including penalty/ fine imposed upon our Company by Stock Exchanges are as follows:

Sr. No.	Particulars	Amount of fine/ penalty (₹ in lakhs)	Date on which fine/penalty was imposed and name of stock exchange	Status
1.	Non-compliance of Regulation 33 of the SEBI LODR Regulations	0.50	December 14, 2021 (NSE)	Penalty paid
2.	Non-compliance of Regulation 17 (1A) of the SEBI LODR Regulations	0.56	November 21, 2023 (NSE)	Penalty paid
3.	Non-compliance of Regulation 17 (1A) of the SEBI LODR Regulations	0.56	November 21, 2023 (NSE)	Penalty paid

For further details, see “*Outstanding Litigation and Material Developments*” on page 206.

Our Company endeavours to comply with all such obligations/reporting requirements, there may be non-disclosures/delayed/erroneous disclosures and/or any other violations which might have been committed by us, and the same may result into Stock Exchanges and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and Rules and Regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

OBJECTS OF THE ISSUE

G. The section titled 'Objects of the Offer' included on pages 56-64 of the Draft Letter of Offer shall be replaced in the Letter of Offer as follows:

The Net Proceeds from the Issue are proposed to be utilised by our Company towards funding for the following objects:

1. Repayment and/or pre-payment, in full or in part, of certain borrowings availed by our Company and/or Subsidiaries;
2. Funding the incremental working capital requirements of our Company; and
3. General corporate purposes.

(Collectively, referred to herein as the “**Objects**”).

The main objects and objects incidental or ancillary to the main objects as stated in the Memorandum of Association enable our Company to undertake (i) its existing activities; (ii) to undertake the activities for which borrowings were availed and which are proposed to be repaid or prepaid from the Net Proceeds.

Net Proceeds

The details of the Net Proceeds are summarized in the table below:

(in ₹ lakhs)

Particulars	Estimated Amount
Gross proceeds*	[●]
Less: Issue related expenses	[●]
Net Proceeds#	[●]

*Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.

#To be finalized upon determination of the Issue Price and updated in the Letter of Offer. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

Requirement of Funds and Utilisation of Net Proceeds

The Net Proceeds are proposed to be utilized in accordance with the details provided hereunder:

(in ₹ lakhs)

Particulars	Amount
Repayment and/or prepayment, in part or full, of certain of our outstanding borrowings availed by our Company and/or Subsidiaries	10,929.42
Funding incremental working capital requirements of our Company	1,400.00
General corporate purpose	[●]
Net Proceeds*	[●]

*To be finalized upon determination of the Issue Price and updated in the Letter of Offer. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

Deployment of funds and schedule of implementation

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below.

(in ₹ lakhs)

Particulars	Amount to be funded from Net Proceeds	Year wise break-up of the expenditure
		Fiscal 2025
Repayment and/or prepayment, in part or full, of certain of our borrowings availed by our Company and/or Subsidiaries	10,929.42	10,929.42

Particulars	Amount to be funded from Net Proceeds	Year wise break-up of the expenditure
		Fiscal 2025
Funding incremental working capital requirements of our Company	1,400.00	1,400.00
General Corporate Purpose*	[●]	[●]
Net Proceeds*	[●]	[●]

**To be finalized upon determination of the Issue Price and updated in the Letter of Offer. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

Our fund requirements and proposed deployment of the Net Proceeds are based on our internal management estimates as per our business plan based on current circumstances of our business prevailing market conditions. Further, such fund requirements and proposed deployment of funds have not been appraised by any bank or financial institution or any other independent agency. We may need to revise our estimates from time to time in light of various factors such as changes in costs, our financial condition, business and strategy or external circumstances such as market conditions, the economic conditions, changing regulatory policies, prevailing competitive environment, interest or exchange rate fluctuations, which may not be in our control. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from our planned allocation at the discretion of our management, in accordance with applicable laws. In the event that the estimated utilization out of the Net Proceeds in a Fiscal is not met (in part or full), such unutilised amount shall be utilised in the succeeding Fiscal(s), as determined by our Company, in accordance with applicable law.

In case we require additional capital towards meeting the objects of the Fresh Issue, our Company may explore arrange of options including utilising internal accruals and availing additional debt from existing and/or future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. If the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used for funding future growth opportunities, and/or towards funding any of the other existing objects (if required), and/or general corporate purposes within the permissible limit in accordance with applicable law.

Means of finance

The funding requirements mentioned above are based on the internal management estimates of our Company and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, and interest or exchange rate fluctuations. Consequently, the funding requirements of our Company and deployment schedules are subject to revision in the future at the discretion of our management, subject to applicable law. If additional funds are required for the purposes as mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them, subject to compliance with applicable laws. Further, depending on the funding requirements of our Company and subject to market and other considerations, our Company may increase the size of the Issue by 20% as disclosed in this Draft Letter of Offer in accordance with the SEBI ICDR Regulations and other applicable laws. Since our Company is not proposing to fund any specific project from the Net Proceeds, the requirement to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance for such project proposed to be funded from the Net Proceeds is not applicable.

Details of the Objects

1. Repayment or prepayment, in full or in part, of all or a portion of certain outstanding borrowings availed by our Company and/or Subsidiaries from banks and financial institutions

We have entered into various financing arrangements from time to time, with various lenders. As on January 20, 2024, we had total sanctioned limit of borrowings of ₹ 12,727.13 lakhs and has utilized ₹ 10,929.42 lakhs. Our Company proposes to utilise an estimated amount of up to ₹ 10,929.42 lakhs from the Net Proceeds towards prepayment or scheduled repayment of all or a portion of the outstanding borrowings availed by us. We may repay or refinance certain loans set out in the table below, prior to filing of the Letter of Offer. In such a situation, we may utilise the Net Proceeds for part or full repayment of any such additional loan or loans obtained to refinance any of our existing loans. We may choose to repay or pre-pay certain borrowings availed by our Company and/or

Subsidiaries, other than those identified in the table below, which may include additional borrowings we may avail after the filing of this Draft Letter of Offer. Given the nature of these borrowings and the terms of repayment/pre-payment, the aggregate outstanding borrowing amounts may vary from time to time. In light of the above, at the time of filing the Letter of Offer, the table below shall be suitably updated to reflect the revised amounts or loans as the case may be which have been availed by us. In the event our Board deems appropriate, the amount allocated for estimated schedule of deployment of Net Proceeds in a particular fiscal may be repaid/pre-paid in part or full by us in the subsequent fiscal in compliance with applicable laws. The selection of borrowings proposed to be repaid/prepaid by us shall be based on various factors including (i) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil such requirements, (ii) levy of any prepayment penalties and the quantum thereof, (iii) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan, (iv) receipt of consents for prepayment or waiver from any conditions attached to such prepayment from our lenders and (v) provisions of any law, rules, regulations governing such borrowings. Further, we have obtained written consents from our lenders for undertaking the Offer. We believe that such repayment or prepayment will help reduce our outstanding indebtedness and our debt-equity ratio and enable utilization of our internal accruals for further investment in business growth. We may avail further loans after the date of this Draft Letter of Offer and/or draw down further funds under existing loans. In addition, we believe that the strength of our balance sheet and our leverage capacity will further improve, which shall enable us to raise further capital in the future at competitive rates to fund potential business development opportunities and plans to grow and expand our business in the coming years.

The following table sets forth details of certain borrowings availed by us, which are outstanding as on January 20, 2024 out of which we may repay/prepay, all or a portion of, any or all of the borrowings, from the Net Proceeds:

Sr. No	Name of Lender and Date of Sanction	Type of borrowing ⁽²⁾	Name of Borrower	Amount sanctioned (₹ in Lakhs)	Principle amount outstanding as on 20 th January 2024 (₹ in lakhs) ⁽²⁾	Purpose for which loan was obtained ⁽¹⁾⁽²⁾	Tenure (months)	Rate of interest (in %)	Pre-payment Penalty
1	HDFC Bank Ltd 30/06/2021	Term Loan	Pavna Industries Limited	429.00	113.86	Working Capital Requirements	39	9.25	4%
2	HDFC Bank Ltd 30/06/2021	Term Loan	Pavna Industries Limited	609.60	102.64	Working Capital Requirements	35	9.02	4%
3	HDFC Bank Ltd 27/06/2023	Term Loan	Pavna Industries Limited	1,000.00	805.63	Working Capital Requirements	60	9.14	4%
4	HDFC Bank Ltd 27/02/2023	Term Loan	Pavna Industries Limited	1,200.00	1,141.90	Working Capital Requirements	60	9.18	4%
5	HDFC Bank Ltd 09/10/2023	Working Capital Demand Loan	Pavna Industries Limited	1,310.53	1,310.53	Working Capital Requirements	12	9.00	4%
6	HDFC Bank Ltd 27/06/2023	Cash Credit	Pavna Industries Limited	5,000.00	4,528.76	Working Capital Requirement	12	9.02	4%
7	Bajaj Finance Ltd 27/03/2023	Purchase Order Facility	Pavna Industries Limited	2,000.00	2,000.00	Working Capital Requirement	12	8.50	2%
8	HDFC Bank Ltd 20/07/2023	Cash Credit	Pavna Auto Engineering Pvt Ltd	500.00	484.28	Working Capital Requirement	12	9.20	4%
9	HDFC Bank Ltd 20/07/2023	Term Loan	Pavna Auto Engineering Pvt Ltd	19.00	11.78	Working Capital Requirements	14	9.19	4%
10	Bajaj Finance Ltd 27/03/2023	Purchase Order Facility	Pavna Auto Engineering Pvt Ltd	200.00	60.00	Working Capital Requirements	12	8.50	2%
11	HDFC Bank Ltd 08/12/2023	Cash Credit	Pavna Marketing Pvt Ltd	350.00	319.22	Working Capital Requirements	12	8.80	2%
12	HDFC Bank Ltd 13/06/2020	Term Loan	Pavna Marketing Pvt Ltd	59.00	10.87	Working Capital Requirements	48	9.25	2%
13	HDFC Bank Ltd 11/12/2023	Cash Credit	Swapnil Switches Pvt Ltd	50	39.95	Working Capital Requirements	12	8.64	2%
TOTAL				12,727.13	10,929.42				

(1) In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purpose availed, our Statutory Auditors have confirmed that the loans have been utilised for the purpose for which it was availed pursuant to certificate dated February 2, 2024.

(2) As certified by the Statutory Auditors of the Company, vide their certificate dated February 2, 2024

In the event that there are any prepayment or repayment penalties required to be paid under the terms of the relevant financing arrangements, the amount of such prepayment or repayment penalties shall be paid by us out of our internal accruals.

2. Funding incremental working capital requirements of our Company

Our Company proposes to utilise ₹ 1,400.00 lakhs from the Net Proceeds to fund our working capital requirements. Our business is working capital intensive and we fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals and financing from various banks and financial institutions. As on January 20, 2024, the Company had total sanctioned limit of working capital facilities of ₹ 11,549.13 lakhs and has utilized ₹ 10,003.32 lakhs. As on January 20, 2024, our total borrowings amounted to ₹ 10,003.32 lakhs. For further information, see “Financial Information” on page 137.

Basis of estimation of incremental working capital requirement

The details of our Company’s working capital as at March 31, 2021, March 31, 2022 and March 31, 2023, and the sourcing of funding, derived from the restated standalone financial statements of our Company are provided in the table below:

(in ₹ lakhs)

Sr. No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2022	For the year ended 31 March 2023
I.	Current Assets			
a)	Inventories	2,925.49	5,725.41	6,682.00
b)	Trade Receivable	2,774.53	4,078.91	4,333.45
c)	Other current assets including other financial assets	888.84	863.70	1,263.81
	TOTAL CURRENT ASSETS (I)	6,588.86	10,668.02	12,279.26
II.	Current Liabilities			
a)	Trade payables	2,749.88	3,650.33	4,227.49
b)	Other current liabilities	402.52	339.00	472.36
c)	Short term provisions	60.55	64.55	70.13
	TOTAL CURRENT LIABILITIES (II)	3,212.95	4,053.88	4,769.98
III.	Net Working Capital Requirements (I-II)	3,375.91	6,614.14	7,509.28
IV.	Existing funding pattern			
a)	Less: Existing Bank Borrowings (Short term)	2,718.54	5,772.80	6,553.18
b)	Internal Accruals*/Equity	657.37	841.34	956.10
	Total	3,375.91	6,614.14	7,509.28

*Internal Accruals = Total working capital requirement less short term borrowings.

(in days)

Holding Period	For the year ended 31 March 2021	For the year ended 31 March 2022	For the year ended 31 March 2023
Current Assets			
Inventories	94	119	135
Trade Receivable	59	60	60
Current Liabilities			
Trade Payables	83	69	83

Note: As certified by M/s. Ratan Chandak & Co., Chartered Accountants, by way of their certificate dated March 16, 2024.

On the basis of our existing working capital requirements and the projected working capital requirements, our Board pursuant to its resolution dated January 10, 2024 has approved the working capital requirements of our Company, details of which are provided below:

(in ₹ lakhs)

Sr. No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2025
I.	Current Assets		
a)	Inventories	7,260.68	7,531.15
b)	Trade Receivable	4,515.59	6,192.93
c)	Other current assets	7,191.37	3,761.11
	TOTAL CURRENT ASSETS (I)	18,967.64	17,485.19
II.	Current Liabilities		
a)	Trade payables	3,956.31	2,789.81
b)	Other current liabilities	489.29	555.42
c)	Short term provisions	78.60	89.20
	TOTAL CURRENT LIABILITIES (II)	4,524.20	3,434.44
III.	Working Capital Requirements (III)=(I)-(II)	14,443.44	14,050.76
	Less: Existing Bank Borrowings (Short term)	-	-
	Net Working Capital Requirement	14,443.44	14,050.76
IV.	Existing Funding pattern		
a)	Proposed Working Capital to be funded from Rights Issue	-	1,400.00
b)	Funded through internal accruals and other borrowings	14,443.44	12,650.76
	Assumptions for Working Capital Requirements		
	Holding Period	Number of Days	
	Inventories	140	126
	Trade Receivable	60	71
	Current Liabilities		
	Trade Payables	74	46

Note: As certified by M/s Ratan Chandak & Co, Chartered Accountants, by way of their certificate dated March 16, 2024.

Our Company proposes to utilize ₹ 1,400.00 Lakhs from the Net Proceeds towards funding the working capital requirements of the Company.

Assumption for working capital requirements

The table below contains the details of the holding levels and justifications for holding period levels on the basis of audited standalone financial statements of our Company and the assumptions based on which the working plan projects has been made and approved by our Board of Directors is as under:

Key assumptions for working capital projections made by our Company:

Sr. No.	Particulars	Assumptions
Current Assets		
1	<i>Inventories:</i>	The inventory levels generally tend to vary depending on the factors such as order book status, delivery schedules, etc. To timely cater the newly developed products range of our esteemed buyers and to ensure adequate availability of material due to our expected organic growth, we have considered the holding period of 140 days as for Fiscal 2024 and 126 days for Fiscal 2025 which is in line with 135 days for Fiscal 2023. Total inventory levels are expected to increase in line with the business volumes and projected business activity in the Financial Year 2024 and Financial Year 2025.
2	Trade receivables	Our Company's trade receivables days for Financial Year 2024 and Financial Year 2025 are in line with the Financial Year 2023 and has been projected in the range of 60 days to 71 days from the Financial Years 2024 and 2025. Total trade receivables

Sr. No.	Particulars	Assumptions
		are expected to increase with the anticipated growth in the business in the Financial Year 2024 and Financial Year 2025. We estimate our trade receivables days to be slightly higher as we intend to provide more credit period to our customer to achieve higher sales growth.
3	Other current assets including Short term loans and advances	The key items under this head are prepaid expenses, advance to suppliers, balance with government authorities etc. However, going forward, we do not foresee any major change.
Current Liabilities		
4	Trade payables	Our trade payables have been for 83 days, 69 days and 83 days for Fiscals 2021, 2022 and 2023, respectively. However, going forward we estimate to maintain payables at 74 days and 46 days for Fiscal 2024 and Fiscal 2025 to avail best pricing and also buy from large suppliers to avail best pricing and also buy from large suppliers and to maintain relationship with them.
5	Other current liabilities	Other current liabilities include provisions, statutory dues, expenses payable, etc. However, going forward, we do not foresee any major change.

To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned object of the Issue, as per the estimated schedule of utilisation specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the aforementioned object, in accordance with applicable law.

Our working capital gap in FY 2022 amounted to Rs. 6,614.14 lakhs, compared to Rs. 3,375.91 lakhs in FY 2021, marking a 95.92% increase post Covid 19. Additionally, the working capital gap for FY 2023 stands at Rs. 7,509.28 Lakhs, in comparison to Rs. 6,614.14 Lakhs in FY 2022, reflecting an increase of 13.53%. Hence, the projected working capital gap for FY 2024 stands at Rs. 14,443.44 Lakhs, in contrast to Rs. 7,509.28 Lakhs in FY 2023, reflecting a 92.34% increase. These changes are attributed to the rise in sales volume, revenue projections, and our internal business strategy aimed at seizing emerging opportunities in the 2W EV OEM sector.

According to the CareEdge Report, the 2W EV sales in India have increased over the years witnessing significant growth in FY23 by 188% compared to the previous year. The CAGR of 2W EV during the period FY19 to FY23 stood at 92%.

We see opportunities and huge potential in supplying to 2W EV companies, some of whom are already our customers and increase our presence in this segment, where we intend to leverage our product development, and designing, engineering and manufacturing capabilities along with our relationships with our existing customers. Accordingly, we have estimated our working capital requirements to be Rs. 14,443.44 lakhs in 2024 and Rs. 14,050.76 lakhs in year 2025.

As per the CareEdge Report, the domestic automobile sales volume is expected to show moderate growth by 7-9% in FY24, after witnessing double-digit growth in FY23. Overall, the domestic automobile industry sales are expected to grow with a CAGR of around 5%-7% over the period of 2024-2028. India is the largest manufacturer of two-wheelers, three-wheelers, and tractors. The domestic automobile sales grew by 20% on a year-on-year (y-o-y) basis in FY23, the first full year without any impact of the pandemic after a gap of two years. The growth in sales volume across segments was supported by healthy demand in the urban areas, increasing replacement demand, growing demand for utility vehicles in the passenger vehicle segment, vehicle scrappage policy, and higher infrastructure spending.

Considering the expected growth in the domestic automobile industry sales during 2024-2028 with a CAGR of around 5%-7% and demand in the automobile industry, the Company will require working capital meet the demand for its products and to cater to its customers.

Justification of working capital requirements:

Accordingly, in line with our Company's increase in inventories and trade receivables have also consequently increased. Below are the details of our Company's inventories and trade receivables for Fiscal 2024 & Fiscal 2025 as compared to Fiscal 2021, Fiscal 2022 and Fiscal 2023.

(₹ in lakhs)

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
Inventories	2,925.49	5,725.41	6,682.00	7,260.68	7,531.15
Growth in Inventories (in %)	61.48%	95.71%	16.71%	8.66%	3.73%
Trade Receivables	2,774.53	4,078.91	4,333.45	4,515.59	6,192.93
Growth in trade receivables (in %)	44.29%	47.01%	6.24%	4.20%	37.15%

(in days)

Holding Period	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
Inventories	94	119	135	140	126
Trade Receivable	59	60	60	60	71
Trade Payable	83	69	83	74	46

This estimation of projections for Fiscal 2024 and Fiscal 2025 are based on management estimates, industry growth and past performance of the Company.

There was notable increase in working capital, primarily attributed to a substantial rise in transaction volume and revenue generation. This surge in business activity has positively impacted our overall working capital position. Despite this encouraging trend, it is essential to highlight that our trade receivable and inventory holding period have remained within the same range for the period. However, the significant increase in transaction volume has led to a discernible expansion in the working capital gap.

Based on the revenue generated from operations, the revenue for Fiscal 2023 increased by 5.49% to ₹26,323.09 lakhs from ₹24,954.28 lakhs in Fiscal 2022, primarily attributed to the rise in sales volume of our products resulting from our growth strategy and improved industry conditions.

Revenue from operations also surged by 45.75% to ₹24,954.28 lakhs for Fiscal 2022 from ₹17,121.70 lakhs for Fiscal 2021, mainly due to the increased sales volume of our products resulting from our growth strategy and improved industry conditions post the Covid-19 pandemic.

While changes in revenue from operations are an important driver of changes in the working capital requirement, they are not the sole determinant. Businesses need to consider various factors such as operational efficiency, payment terms, seasonality, capital expenditures, and credit policies to accurately assess and manage their working capital needs. Effective working capital management involves balancing these factors to ensure sufficient liquidity to support operations while maximizing profitability and growth.

Due to increase in the year-to-year turnover, the requirement of total working capital, bank borrowing and funds through internal accruals and equity sources have increased and the same has been set out below:

Particulars	As on March 31, 2023 (Audited)	As on March 31, 2024 [^] (Projected)	As on March 31, 2025 (Projected)
Inventories	6,682.00	7,260.68	7,531.15
Trade Receivables	4,333.45	4,515.59	6,192.93
Total Working Capital Requirement	7,509.28	14,443.44	14,050.76
Bank Borrowing	6,553.18	10,929.42	0.00
Funded through Internal Accruals and Equity sources	956.10	3,514.02	14,050.76

[^] The DLOF was filed prior to March 24, assuming that fund will be utilised in the same financial year i.e. FY 2023-24. Accordingly, the projections for FY 2023-24 have been made. However the aforesaid utilisation has been now shifted to next Financial year i.e. FY 2024-25.

For the year 2023-24: Our Company is required to maintain sufficient level of inventory in the form of raw material, Work in Process, stores & Spares, Trading material and Finished Goods to ensure no supply chain disruption impacting the manufacturing process. During the FY 2023-24, we have tried to bring down the inventory from 140 days to 130 days and the inventory increased in value terms from Rs. 6,682.00 lakhs in FY 2022-23 to Rs. 7,260.68 Lakhs in FY 2023-24. Moreover, our amount involved in trade receivable has increased from Rs. 4,333.45 lakhs in FY 2022-23 to Rs. 4,515.59 Lakhs in FY 2023-24. In FY 2022-23 the trade receivables period went up to 60 days as our customers were overstocked due to the covid spillover effect wherein they purchased far more than what the market demand they had anticipated. We had to support them by allowing longer credit period in view of their genuine business requirement. All these customers have been our loyal and regular customers and all the receivables have been realized subsequently. In order to maintain better purchase prices, we have reduced our trade payables from 83 days in FY 2022-23 to 74 days in FY 2023-24. We reduced the overall quantum of trade payables from Rs. 4,227.49 Lakhs in FY 2022-23 to Rs. 3,956.31 Lakhs in FY 2023-24.

Below is the table showing historical, present and estimated increase/decrease in working capital requirements of the business from FY 2021 to FY 2025.

(₹ in lakhs)

Particulars	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Working Capital Requirements	3,375.91	6,614.14	7,509.28	14,443.44	14,050.76
Increase/decrease in requirements in % from the previous year/period	160.02	95.92	13.53	55.24	(2.72)

The Company proposes to reduce its trade payables and other current liabilities in the Financial Year 2023-24 and 2024-25. The available funds would be used for reducing the liabilities. This would help us to reduce our dependability on market's credit and also cost of the inputs benefiting the shareholders at large. Lower current liabilities mean less cash tied up in short-term obligations. This frees up funds that can be used for other purposes, such as investing in growth opportunities, paying down debt, or returning value to shareholders. It expects to benefit from improved negotiation power with suppliers, leading to potential cost savings on inputs. The enhanced cash flow management would facilitate investment in growth opportunities. The Company is reproducing the year wise data as follows.

(₹ in lakhs)

Particulars	As on March 31, 2023 (Audited)	As on March 31, 2024 (Projected)	As on March 31, 2025 (Projected)
Trade Payables	4227.49	3956.31	2789.81
(No. of days)	83	74	46
Other current liabilities	472.36	489.29	555.42

Business enterprises are mandated to make payments to Micro, Small, and Medium Enterprises (MSMEs) within 45 days, as per Section 15 of the Micro, Small, and Medium Enterprises Development (MSMED) Act, 2006. Failure to comply with this provision may result in adverse tax consequences, as per Section 43B(h) of the Income Tax Act. According to this provision, if a larger company fails to pay an MSME within the stipulated 45 days period, it cannot deduct that expense from its taxable income, potentially leading to higher taxes.

Our Company predominantly owes payments to MSME vendors. Consequently, we must settle our trade payables within the 45 days timeframe to reduce our outstanding creditors. However, as our Company falls under the category of a Medium organization, the aforementioned requirement does not apply to us when receiving payments from customers. Therefore, our trade receivables remain on their original pay cycle.

This situation creates a need for working capital, as we must make payments at an earlier stage while receiving payments at a later stage.

3. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] lakhs towards general corporate purposes, subject to such amount not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR

Regulations. The general corporate purposes for which our Company proposes to utilise Net Proceeds include, but are not restricted to, strengthening marketing capabilities, meeting ongoing general corporate exigencies and contingencies; meeting our business requirements, expenses incurred in ordinary course of business, payment of commission and/or fees to consultants, business development initiatives, employee welfare activities, other expenses including salaries and wages, administration, insurance, repairs and maintenance, payment of taxes and duties and any other purpose, as may be approved by the Board or a duly constituted committee thereof, subject to compliance with applicable law, including provisions of the Companies Act.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company and other relevant considerations, from time to time. Our Company's management, in accordance with the policies of our Board, shall have flexibility in utilizing surplus amounts which will be done in compliance with the applicable laws. In addition to the above, our Company may utilize the balance Net Proceeds towards any other expenditure considered expedient and as approved periodically by our Board or a duly appointed committee thereof, in compliance with applicable law. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds which will be done in compliance with the applicable laws. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes in compliance with applicable laws. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals in compliance with applicable laws.

4. Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] lakhs.

The Issue related expenses include, among others, fees to various advisors, printing and distribution expenses, advertisement expenses and registrar and depository fees. The estimated Issue related expenses are as follows:

Particulars	Expenses (₹ in lakhs)*	Expenses (% of total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Fees payable to the Lead Manager (including underwriting commission, brokerage and selling Commission)	[●]	[●]	[●]
Fees payable to the Registrar to the Issue	[●]	[●]	[●]
Advertising, marketing and shareholder outreach expenses	[●]	[●]	[●]
Fees payable to regulators, including Stock Exchanges, SEBI, depositories and other statutory fee	[●]	[●]	[●]
Others, Printing and stationery, Fees payable to the legal counsels, Miscellaneous expenses	[●]	[●]	[●]
Total estimated Issue related expenses	[●]	[●]	[●]

*Amounts will be finalised and incorporated in the Letter of Offer on determination of Issue Price.

5. Interim Use of Net Proceeds

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds in compliance with applicable laws. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors. Our Company confirms that pending utilization of the Net Proceeds for the Objects of the Issue, our Company shall not use the Net Proceeds for any investment in the equity markets.

6. Bridge financing facilities and other financial arrangements

Our Company has not raised any bridge loans or entered into any other similar financial arrangements from / with any bank or financial institution as on the date of this Draft Letter of Offer, which are proposed to be repaid from the Net Proceeds.

7. Monitoring of Utilization of Funds

Our Company shall appoint the Monitoring Agency for the Issue to monitor the utilization of the Gross Proceeds. The Monitoring Agency shall submit a report to our Board, till 100% of the Gross Proceeds has been utilised, as required under Regulation 82 of the SEBI ICDR Regulations. Our Company will disclose the utilization of the Gross Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate instances, if any, of unutilized Gross Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges. Pursuant to Regulation 32(3) of the SEBI LODR Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. Further, pursuant to Regulation 32(5) of the SEBI LODR Regulations, our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Letter of Offer and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditor(s) of our Company, which shall be submitted by our Company with the Monitoring Agency.

Furthermore, in accordance with Regulation 32(1) of the SEBI LODR Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published on our website and explanation for such variation (if any) will be included in our Director's report, after placing it before the Audit Committee.

8. Appraising Agency

None of the Objects for which the Net Proceeds will be utilised, require appraisal from, or have been appraised by, any bank/ financial institution/ any other agency, in accordance with applicable law.

9. Other Confirmations

No part of the proceeds of the Issue will be paid by our Company to our Promoters, our Promoter Group, our Directors or our Key Managerial Personnel or Senior Management, except in the normal course of its business.

Our Promoter, our Promoter Group and our Directors do not have any interest in the objects of the Issue, and there are no material existing or anticipated transactions in relation to utilization of the Net Proceeds with our Promoter, Promoter Group, Directors or Key Managerial Personnel or Senior Management Personnel.

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

DECLARATION

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum to the Draft Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Addendum to the Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Swapnil Jain

Managing Director

Place: Aligarh

Date: May 13, 2024

DECLARATION

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum to the Draft Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Addendum to the Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Asha Jain

Chairperson and Executive Director

Place: Aligarh

Date: May 13, 2024

DECLARATION

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum to the Draft Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Addendum to the Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Priya Jain

Executive Director

Place: Aligarh

Date: May 13, 2024

DECLARATION

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum to the Draft Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Addendum to the Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Sanjay Kumar Jain

Non-Executive Director

Place: Aligarh

Date: May 13, 2024

DECLARATION

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum to the Draft Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Addendum to the Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Naozer Firoze Aibara
Independent Director

Place: Aligarh

Date: May 13, 2024

DECLARATION

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum to the Draft Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Addendum to the Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Achyutanand Ramchandra Mishra
Independent Director

Place: Aligarh

Date: May 13, 2024

DECLARATION

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum to the Draft Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Addendum to the Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Dhruv Jain

Independent Director

Place: Aligarh

Date: May 13, 2024

DECLARATION

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum to the Draft Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Addendum to the Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Priyanka Moondra Rathi

Independent Director

Place: Aligarh

Date: May 13, 2024

DECLARATION

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum to the Draft Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Addendum to the Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Himani Bhootra

Independent Director

Place: Aligarh

Date: May 13, 2024

DECLARATION

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum to the Draft Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Addendum to the Draft Letter of Offer are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Sd/-

Palak Jain

Chief Financial Officer

Place: Aligarh

Date: May 13, 2024